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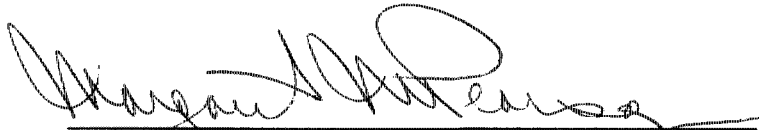
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INTERSTATE COMMERCE COMMISSION

CERTIFICATE

I, MARGARET M. PEARSON, Notary Public, State of Wisconsin, hereby certify that I have compared the attached copy of the Second Supplemental Indenture dated June 1, 1946 with the original instrument and found the copy to be complete and identical in all respects to the original.

Executed on this 9th day of December 1992.



Margaret M. Pearson
Notary Public, State of Wisconsin
My Commission expires March 19, 1995
Telephone: (414) 221-2235

(SEAL)

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18035 *B*

DEC 10 1992 - 11:25 AM

INTERSTATE COMMERCE COMMISSION

WISCONSIN ELECTRIC POWER COMPANY

TO

FIRST WISCONSIN TRUST COMPANY

As Trustee

Second Supplemental Indenture

DATED JUNE 1, 1946

**First Mortgage Bonds,
2 $\frac{5}{8}$ % Series Due 1976**

WISCONSIN ELECTRIC POWER COMPANY

Supplemental Indenture Dated as of June 1, 1946

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SUPPLEMENTAL INDENTURE, dated the first day of June, Nineteen hundred and forty-six (1946) made by and between WISCONSIN ELECTRIC POWER COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company"), party of the first part, and FIRST WISCONSIN TRUST COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter called the "Trustee"), as Trustee under the Mortgage and Deed of Trust dated October 28, 1938, hereinafter mentioned, party of the second part;

WHEREAS, the Company has heretofore executed and delivered to the Trustee its Mortgage and Deed of Trust (hereinafter sometimes referred to as the "Original Indenture"), dated October 28, 1938, to secure the payment of the principal of and the interest and premium, if any, on all Bonds at any time issued and outstanding thereunder, and to declare the terms and conditions upon which Bonds are to be issued thereunder; and, in accordance with the terms of the Original Indenture, a Supplemental Indenture dated October 28, 1938, supplemental to the Original Indenture, has heretofore been entered into between the Company and the Trustee; and

WHEREAS, Bonds in the aggregate principal amount of Fifty-five million Dollars (\$55,000,000) have heretofore been issued, under and in accordance with the terms of the Original Indenture and said Supplemental Indenture dated October 28, 1938, as Bonds of an initial series designated "First Mortgage Bonds, 3½% Series due 1968", all of which are outstanding at the date hereof; and

WHEREAS, the Original Indenture provides that Bonds for the redemption of which moneys shall have been deposited with the Trustee (whether at or prior to the redemption date of such Bonds) shall be deemed to have been paid, provided that notice of the redemption thereof shall have been duly given as in the Original Indenture provided or provision satisfactory to the Trustee shall have been made therefor; and

WHEREAS, the Company has determined to provide funds for the redemption and payment of the First Mortgage Bonds, 3½% Series due 1968, now outstanding in the aggregate principal amount of Fifty-five million Dollars (\$55,000,000), and to issue its Bonds therefor, and to that end, in accordance with the provisions of the Original Indenture and pursuant to appropriate resolutions of its Board of Directors, has authorized the execution of this Supplemental Indenture to provide for the issuance of a second series of Bonds under the Original Indenture to be designated as "First Mortgage Bonds, 2⅝% Series due 1976" (herein called the "Bonds of 1976 Series") and to conform the Original Indenture to the standards prescribed by the Trust Indenture Act of 1939; and

WHEREAS, the Original Indenture provides that certain terms and provisions, as determined by the Board of Directors of the Company, of the Bonds of any particular series may be expressed in and provided by the execution of an appropriate supplemental indenture; and

WHEREAS, the 4% First Mortgage Bonds of The Milwaukee Electric Railway & Transport Company (a corporation organized under the laws of the State of Wisconsin), pledged under the Original Indenture, have heretofore been released from the lien of the Original Indenture in accordance with the provisions thereof, and certain appropriate modifications as the result of such release are desirable; and

WHEREAS, the Original Indenture provides that the Company and the Trustee may enter into indentures supplemental to the Original Indenture to convey, transfer and assign to the Trustee and to subject to the lien of the Original Indenture additional properties acquired by the Company; to restrict, in addition to the limitations and restrictions contained in the Original Indenture, the authentication and delivery of additional Bonds under the Original Indenture by imposing additional conditions and restrictions to be thereafter observed; to add to the covenants and agreements of the Company contained in the Original Inden-

ture other covenants and agreements thereafter to be observed; to surrender any right or power reserved to or conferred upon the Company in the Original Indenture; and, under certain circumstances, to modify any of the provisions of the Original Indenture or to relieve the Company from any of the obligations, conditions or restrictions therein contained; and

WHEREAS, the Company, in the exercise of the powers and authority conferred upon and reserved to it under the provisions of the Original Indenture and pursuant to appropriate resolutions of its Board of Directors, has duly resolved and determined to make, execute and deliver to the Trustee a Supplemental Indenture in the form hereof for the purposes herein provided; and

WHEREAS, all conditions and requirements necessary to make this Supplemental Indenture a valid, binding and legal instrument have been done, performed and fulfilled and the execution and delivery hereof have been in all respects duly authorized;

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

That, in consideration of the premises and of the mutual covenants herein contained and of the acceptance of this trust by the Trustee and of the sum of One Dollar duly paid by the Trustee to the Company at or before the time of the execution of this Supplemental Indenture, and of other valuable considerations, the receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of and interest (and premium, if any) on all Bonds at any time issued and outstanding under the Original Indenture as amended by Part VII of this Supplemental Indenture and all other indentures supplemental thereto (hereinafter sometimes collectively called the "Indenture"), according to their tenor and effect, the Company has executed and delivered this Supplemental Indenture and has granted, bargained, sold, warranted, aliened, remised, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, assign, transfer, mortgage, pledge, set over and confirm

unto First Wisconsin Trust Company, as Trustee, and to its successors in trust under the Indenture forever, all and singular the following described properties (in addition to all other properties heretofore subjected to the lien of the Original Indenture and not heretofore or hereby released from the lien thereof)—that is to say:

The following described parcels of real estate, all of which are located in the State of Wisconsin in the respective cities and counties hereinafter specified:

PARCELS OF REAL ESTATE

MILWAUKEE COUNTY

1. Addition to Granville Substation: That part of the NW $\frac{1}{4}$ of Section 27, Township 8 North, Range 21 East, Town of Granville, described as follows: Commencing at a point on the west line of said Section 27, which point is 425 feet north of the point where the northwest line of the railway right of way of Chicago and North Western Railway Company intersects the west line of said section; running thence north on said west section line, 100 feet to a point; thence North 89° 45' East, 750 feet to a point; thence south, parallel to the west line of said Section 27, to a point in the north line of lands described in that certain warranty deed recorded in Volume 1276 of Deeds, on Page 314, as Document No. 1835340, Milwaukee County Registry; thence South 89° 45' West on said north line 750 feet to the place of beginning, containing 1.72 acres.

2. Atkinson Avenue Substation: That part of the NW $\frac{1}{4}$ and the SW $\frac{1}{4}$ of Section 8, Township 7 North, Range 22 East, in the City of Milwaukee, described as follows: Commencing at the intersection of the northeasterly line of West Atkinson Avenue and the southwesterly line of North Green Bay Avenue; running thence North 60° 09' West on the northeasterly line of West Atkinson Avenue, 102.92 feet to a point, which point is the place of beginning of this description; running thence North 60° 09'

West on the northeasterly line of West Atkinson Avenue, 123.34 feet to a point; thence North $17^{\circ} 30'$ West 3.97 feet to a point; thence east 145.35 feet to a point in the southwesterly line of North Green Bay Avenue; thence South $24^{\circ} 06' 30''$ East on said southwesterly line of North Green Bay Avenue, 0.25 feet to a point; thence South $29^{\circ} 51' 30''$ West, 74.88 feet to the place of beginning.

Also that part of said NW $\frac{1}{4}$ of Section 8 described as follows: Commencing at a point on the southwesterly line of North Green Bay Avenue, said point being 127.54 feet northwesterly from the intersection of the southwesterly line of North Green Bay Avenue with the northeasterly line of West Atkinson Avenue; thence west 145.35 feet more or less to a point on the east line of the north and south alley; thence north on said east line 56 feet to a point; thence east 120.35 feet more or less to a point in the southwesterly line of North Green Bay Avenue; thence southeasterly along said southwesterly line 61.39 feet to the place of beginning.

3. Palmer Street Substation: Lot 8, Block 46, Sherman's Addition in the NE $\frac{1}{4}$ of Section 20, Township 7 North, Range 22 East, in the City of Milwaukee.

4. Bruce Street Substation and Underground Headquarters: That part of the W $\frac{1}{2}$ of the NE $\frac{1}{4}$ of Section 31, Township 7 North, Range 22 East, in the City of Milwaukee, described as follows: Commencing at a point in the south line and 1009.50 feet east of the southwest corner of said NE $\frac{1}{4}$; running thence north along a line which is parallel with the west line of said quarter section, 202.50 feet to a point; thence west along a line parallel with the south line of said quarter section, 102.75 feet to a point; thence north along a line parallel with the west line of said quarter section, 205 feet to the center line of West Bruce Street; thence east along a line parallel with the south line of said quarter section, 132.75 feet to a point which is 1039.50 feet east of the west line of said quarter section; thence south along a line parallel with the west line of said quarter section, 407.50

feet to the south line of said quarter section; thence west along the south line of said quarter section, 30 feet to the point of beginning.

5. Addition to Commerce Street Power Plant: That part of Lot 1 and vacated Vliet Street adjacent, in Block 32 in Plat of the Town of Milwaukee, on the west side of the River, in the City of Milwaukee described as follows: Commencing at the southwest corner of said Block 32 as evidenced by a cross cut in the concrete sidewalk; running thence northeast on the east line of North Commerce Street, 460.28 feet to a point which is the place of beginning of the lands herein described; running thence southeast 149.98 feet and parallel to the north line of said Lot 1 to the Milwaukee River; thence northeast along the Milwaukee River 20.77 feet to a point; thence northwest 150.22 feet to a point on the east line of North Commerce Street; thence southwest along the east line of North Commerce Street, 20.0 feet to the place of beginning.

6. Bates Tract: That part of the SE $\frac{1}{4}$ of Section 2, Township 6 North, Range 21 East, in the Town of Greenfield, described as follows: Commencing at the intersection of the center line of West Burnham Street and the center line of West McGeoch Avenue; thence southwesterly on the center line of said West McGeoch Avenue to a point in the north line of lands formerly owned by Emily Trowbridge and now owned and held by Defense Plant Corporation; thence east on said north line of lands now owned and held by Defense Plant Corporation, 94.24 feet to a point; thence northeasterly 200 feet to a point that is 54 feet southeast of the center line of said West McGeoch Avenue, measured at right angles thereto; thence northeasterly parallel to and 54 feet distant from the center line of said West McGeoch Avenue to a point that is 280 feet southwest of the center line of said West Burnham Street, measured parallel to the center line of said West McGeoch Avenue; thence northeasterly to a point that is 73 feet distant from the center line of said West McGeoch Avenue, measured at right angles thereto and 240 feet

southwest of the center line of said West Burnham Street, measured on a line parallel to the center line of said West McGeoch Avenue; thence northeasterly, parallel to and 73 feet distant from the center line of said West McGeoch Avenue, 240 feet to a point in the center line of said West Burnham Street; thence west on the center line of said West Burnham Street, 88.51 feet to the place of beginning.

7. Milwaukee-West Junction Private Right of Way between North 8th and North 10th Streets: The north 51 feet of Lots 1, 2, 3, 4, 5, 6, and 7 in Block 250 of James Kneeland's Subdivision in the SW $\frac{1}{4}$ of Section 29, Township 7 North, Range 22 East, in the City of Milwaukee;

Also Lots 9 and 10 and the vacated alley adjacent to said lots in Block 132 in the Partition of the E $\frac{1}{2}$ of said SW $\frac{1}{4}$ of Section 29;

Also the north 1 foot of Lots 11 and 12 in said Block 132;

Also that part of Lots 13, 14, 15 and 16 and the vacated alley adjacent to said Lots 13 and 14 in said Block 132 described as follows: Commencing at the northeast corner of said Lot 16; thence south on the east line of said lot, 41.5 feet to a point; thence northwesterly in a straight line to a point which is 172.99 feet west of said east lot line and 51 feet south of the north line of Lot 10 in said Block 132; thence west, and parallel to said north lot line to the west line of said Lot 13; thence north on said west lot line, 1 foot to the northwest corner of said Lot 13; thence east on the north line of said Lot 13 and said north line extended east across said vacated alley, and continuing along the north line of said Lots 14, 15 and 16 to the place of beginning.

8. Hillside Stores: Lots 27 and 28, Block 2, Forest Lawn, in the SW $\frac{1}{4}$ of Section 24, Township 7 North, Range 21 East, in the City of Milwaukee.

9. Granville Substation to Milwaukee-Port Washington Private Right of Way: That part of the NW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section

26, Township 8 North, Range 21 East, in the Town of Granville, which lies south of a line drawn parallel with and distant 75 feet southerly, measured at right angles from the center line between the two main tracks of the Chicago and North Western Railway Company, excepting therefrom the right of way of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company;

Also that part of the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of said Section 26 which lies south of a line drawn parallel with and distant 75 feet southerly measured at right angles from said railway center line and north of a line parallel with and distant 14.26 chains south of the north line of said section;

Also a strip of land 2 rods wide along the west line of the E $\frac{1}{2}$ of the NW $\frac{1}{4}$ of said Section 26 and extending from the northerly line of the right of way of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company northerly to the south line of the tract of land last above described;

Also Lots 1, 2, 3 and 4, Block 1, Lots 1, 2, 9 and 10, Block 6, and Lots 1, 2 and 3, Block 7, in Zingen and Braun's Fairfield, being a part of the NW $\frac{1}{4}$ of Section 25, Township 8 North, Range 21 East, in the Town of Granville, and also a re-subdivision of part of Arthur Wenz's Northern Heights;

Also that part of the E $\frac{1}{2}$ of the NE $\frac{1}{4}$ of said Section 25 and a part of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 30, Township 8 North, Range 22 East, described as follows: Beginning at a point in the northeasterly right of way line of Wisconsin Electric Power Company, distant 75 feet southerly, measured at right angles, from the center line of the main track of the Wiscona Cut-Off Line of the Chicago and North Western Railway Company; thence east parallel with said railway center line to a point which is 65 feet northeasterly, measured at right angles, from the northeasterly right of way line of said Wisconsin Electric Power Company; thence southeasterly along a line parallel with said northeasterly right of way line of said Wisconsin Electric Power Company, and said line extended, to a point distant 100 feet northeasterly, measured at right angles, from the center line of the main track

of the Milwaukee-Fond du Lac Line of said Chicago and North Western Railway Company; thence northwesterly parallel with said last mentioned railway center line to an intersection with the range line, which is common to Section 25 and Section 30 afore-said; thence north along said range line to an intersection with said northeasterly right of way line of said Wisconsin Electric Power Company, in said $E\frac{1}{2}$ of the $NE\frac{1}{4}$ of said Section 25; thence northwesterly along said northeasterly right of way line of said Wisconsin Electric Power Company to the point of beginning, containing 1.82 acres;

Also that part of the $SW\frac{1}{4}$ of the $SE\frac{1}{4}$ of Section 24 and part of the $NW\frac{1}{4}$ of the $NE\frac{1}{4}$ of Section 25, Township 8 North, Range 21 East, described as follows: Beginning at a point in the center line of Cedarburg Road, distant 142.6 feet northwesterly of its point of intersection with the center line of the main track of the Wisconsin Cut-Off Line of the Chicago and North Western Railway Company; thence northwesterly along the center line of Cedarburg Road to a point, distant 50 feet southwesterly, measured at right angles, from the center line of the main track of the Milwaukee-Fond du Lac Line of said Chicago and North Western Railway Company; thence northwesterly parallel with said last mentioned railway center line to a point in the west line of the $SW\frac{1}{4}$ of the $SE\frac{1}{4}$ of said Section 24; thence south along the west line of the $SW\frac{1}{4}$ of the $SE\frac{1}{4}$ of said Section 24 and along the west line of the $NW\frac{1}{4}$ of the $NE\frac{1}{4}$ of said Section 25 to a point, distant 393 feet southerly, measured at right angles, from the north line of said Section 25; thence east parallel with the north line of said Section 25 to the point of beginning, containing 8.62 acres.

10. Adjacent Lands Added to Private Right of Way: In the City of Milwaukee all that land added to private right of way and lying along the east boundary of the transmission line and railway right of way of Wisconsin Electric Power Company, described as follows: Commencing at the point where the east line of said right of way intersects the north line of West Olive Street, said east right of way line being 101.6 feet east of the west line of the

SE $\frac{1}{4}$ of Section 6, Township 7 North, Range 22 East, and extending northerly along the east line of said right of way to a point approximately 56 feet south of the intersection of said east line of said right of way with the south line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company's right of way in the NE $\frac{1}{4}$ of Section 6, Township 7 North, Range 22 East;

Also in the City and Town of Milwaukee all that land added to private right of way and lying along the west line of said transmission line and railway right of way described as follows: Commencing at a point on the west line of said right of way approximately 537.78 feet north of the center line of West Stark Street and extending northerly along said west line of the right of way to a point on said west line of the right of way approximately 170.35 feet north of the point where the south line of the N $\frac{1}{2}$ of Lot 8, Charlotte A. Quentin's Subdivision intersects said west line of said right of way;

Also in said Town of Milwaukee all that land added to private right of way and lying along the west line of said transmission line and railway right of way described as follows: Commencing at a point on said west line of said right of way approximately 492.84 feet south of the center line of West Silver Spring Drive and extending northerly along said west line of said right of way to a point where the south line of Lot 14, Block 7, Crestwood Subdivision, intersects said west line of said right of way, all in the SW $\frac{1}{4}$ of Section 30, Township 8 North, Range 22 East.

11. Fiebrantz Tract: That part of the W $\frac{1}{2}$ of Section 30, Township 8 North, Range 22 East, in the Town of Milwaukee, described as follows: Commencing at the intersection of the northeasterly line of the railway and transmission line right of way of Wisconsin Electric Power Company with the north line of Wingate Avenue as platted in Crestwood, being a subdivision in said Section 30, recorded in Volume 42 of Plats, Page 38, as Document No. 1457339, Milwaukee County Registry; running thence northwest on said northeasterly right of way line to the southwesterly line of the railway right of way of Chicago and

North Western Railway Company; thence southeast on said south-westerly line of the railway right of way of Chicago and North Western Railway Company 110 feet to a point; thence southeast in a straight line to a point in the north line of said Wingate Avenue, which point is 40 feet east of the place of beginning measured on the north line of said Wingate Avenue; thence west on the north line of said Wingate Avenue 40 feet to the place of beginning.

OZAUKEE COUNTY

12. Cedarburg Station: That part of Lot 8 of Boerner's Plat and Lot 11 of Block 10 of the Assessors Plat in the City of Cedarburg, described as follows: Commencing at the southeast corner of said Lot 8; thence South 89° 45' West on the north line of Center Street, 118 feet to a point, which point is the place of beginning for the lands herein described; thence North 9° 44' West 70.84 feet to a point in the north line of said Lot 8; thence North 12° 13' West 143.26 feet to a point; thence South 75° 9' West 50.89 feet to a point; thence South 12° 13' East 138.5 feet to a point; thence South 8° 33' East 62.32 feet to a point on said north line of Center Street; thence easterly on said north line of Center Street 53 feet to the place of beginning.

13. Thiensville Station: That part of lands in the NE $\frac{1}{4}$ of Section 22, Township 9 North, Range 21 East in the Village of Thiensville conveyed by Ernest Alten and Matilda Alten, his wife, to Milwaukee Northern Railway Company by deeds recorded in Volume 49 of Deeds on pages 350 and 351, and in Volume 49 of Deeds on page 360, said Ozaukee County Registry, which lies outside the transmission line and railway right of way of Wisconsin Electric Power Company.

WAUKESHA COUNTY

14. Elm Grove Substation: Lots 1 and 2, Block 3, resub-division of Block 3 Columbia Gardens, the Gem of the Blue

Mound Road, being part of the SE $\frac{1}{4}$ of Section 25, Township 7 North, Range 20 East, in the Town of Brookfield.

15. Hartland Substation: That part of the SW $\frac{1}{4}$ of Section 34, Township 8 North, Range 18 East, in the Village of Hartland, described as follows: Commencing on the south line of said Section 34 at the south $\frac{1}{8}$ corner in said SW $\frac{1}{4}$ of Section 34 (said $\frac{1}{8}$ corner being 1334.56 feet west of the southeast corner of said SW $\frac{1}{4}$ of Section 34 measured on the south section line); thence north on said $\frac{1}{8}$ section line 135 feet to a point; thence east and parallel to said south section line 80 feet to a point; thence south and parallel to said $\frac{1}{8}$ line 135 feet to the section line; thence west on said south section line to the place of beginning, containing 0.248 acres.

16. Springdale Substation: That part of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 6, Township 6 North, Range 20 East, in the Town of New Berlin, described as follows: Commencing at the southwest corner of said SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 6; thence north on the west line of said Section 6, 145 feet to a point, which point is the place of beginning of the lands herein described; thence north on said west section line 80 feet to a point; thence east at right angles to said west line of Section 6, 135 feet to a point; thence south, parallel to said west line of Section 6, 80 feet to a point; thence west 135 feet to the place of beginning.

17. Waukesha Gravel Pit: That part of the NW $\frac{1}{4}$ of Section 1, Township 6 North, Range 19 East, in the Town of Waukesha, described as follows: Commencing at a point 1609.7 feet east of the west line of said Section 1 and 50 feet north of the south line of said quarter section; thence northeasterly 978.85 feet to a point, which point is 600 feet west of the east line of said quarter section; thence north and parallel to said east line to a point on the north line of the SE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of said Section 1; thence east 600 feet to the northeast corner of said SE $\frac{1}{4}$ of the NW $\frac{1}{4}$; thence south on said east line to the southeast corner of said quarter section; thence west on said south line to a point 1609.7 feet east of said west section line; thence north 50 feet to the place of beginning;

Also the west 15 acres of the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 1, Township 6 North, Range 19 East, in the Town of Waukesha;

Excepting, however, the railway tracks and railway overhead on said premises owned by The Milwaukee Electric Railway & Transport Company.

18. Dan Bloor Tract: That part of the W $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 4, Township 6 North, Range 20 East, in the Town of New Berlin, which is described in the deed recorded in Volume 100 of Deeds, page 451, in the office of the Register of Deeds of Waukesha County.

ELECTRIC TRANSMISSION LINES

The following described transmission lines, all of which are located in the State of Wisconsin.

Line 27: A 132,000 volt, single circuit, steel tower, electric transmission line approximately 9.80 miles in length, extending from the Blue Mound switching station in the NE $\frac{1}{4}$ of Section 31, Town of Wauwatosa, northerly to the Granville substation in the Town of Granville, all in Milwaukee County.

Line 28: A 132,000 volt, single circuit, wood pole H-frame, electric transmission line approximately 22.95 miles in length, extending from a step-up substation near the Port Washington power plant in the City of Port Washington, westerly through a portion of the Towns of Port Washington and Saukville, thence southwesterly and southerly through the Towns of Cedarburg and Mequon, all in Ozaukee County, to the Granville substation in the Town of Granville, Milwaukee County.

Line 29: A 132,000 volt, single circuit, steel tower, electric transmission line approximately 4.37 miles in length, extending from a junction in the SW $\frac{1}{4}$ of Section 26, Town of Somers, with a line which is described as Line 2 in the Original Indenture and is subject to the lien and operation thereof, southerly through

a portion of the Towns of Somers and Pleasant Prairie to a tower in the NE $\frac{1}{4}$ of Section 22, Town of Pleasant Prairie, all in Kenosha County.

Line 30: A 66,000 volt, electric transmission circuit approximately 18.81 miles in length, on double circuit steel towers owned by Wisconsin Gas & Electric Company, a subsidiary of the Company, extending from the Watertown substation of Wisconsin Gas & Electric Company in the City of Watertown, in Jefferson County, thence northwesterly through a portion of the Towns of Emmett, Shields, and Lowell and the Village of Reeseville in Dodge County, to a tower owned by Wisconsin Power and Light Company, a non-affiliate, and located in the SE $\frac{1}{4}$ of Section 17, Town of Elba, Dodge County.

Line 31: A 66,000 volt, double circuit, electric transmission line approximately 2.37 miles in length, of which approximately 1.06 miles is on wood poles and 1.31 miles is on steel towers, extending from the 96th Street substation in the NE $\frac{1}{4}$ of Section 32, Town of Wauwatosa, westerly to the Blue Mound switching station, thence southerly to a point of junction in the NE $\frac{1}{4}$ of Section 6, Town of Greenfield, with a line which is described as Line 8 in the Original Indenture and is subject to the lien and operation thereof, all in Milwaukee County.

Line 32—Section A: A 26,400 volt, single circuit, wood pole, electric transmission line approximately 0.28 miles in length, extending from a point of junction at the intersection of County Line Road and West Capitol Drive in the Town of Brookfield, Waukesha County, with a line which is described as Line 26 in the Original Indenture and is subject to the lien and operation thereof, easterly along West Capitol Drive to a point of junction with a customer's line, located in the NW $\frac{1}{4}$ of Section 7, Town of Wauwatosa, Milwaukee County.

Line 32—Section B: A 26,400 volt, single circuit, wood pole, electric transmission line approximately 2.60 miles in length, extending from the Granville substation in the Town of Granville,

southwesterly to County Trunk Highway "F", thence southerly along County Trunk Highway "F" to a point of junction at West Hampton Road in the Town of Wauwatosa with a line which is described as Line 26 in the Original Indenture and is subject to the lien and operation thereof, all in Milwaukee County.

Line 32—Section C: A 26,400 volt, single circuit, wood pole, electric transmission line approximately 2.64 miles in length, extending from a point of junction at the intersection of State Highway 55 and Wauwatosa Avenue in the Town of Granville, with an existing line which is included in the Original Indenture and is subject to the lien and operation thereof, southerly along Wauwatosa Avenue in the Towns of Granville and Wauwatosa, to a junction at West Burleigh Street in the City of Milwaukee with a line which is described as Line 26 in the Original Indenture and is subject to the lien and operation thereof, all in Milwaukee County.

Line 33—Section A: A 26,400 volt, single circuit, wood pole, electric transmission line approximately 2.75 miles in length, extending from a point of junction in the NW $\frac{1}{4}$ of Section 6, Town of Greenfield, with a line which is described as Line 11 in the Original Indenture and is subject to the lien and operation thereof, northeasterly to the Blue Mound switching station, thence easterly to the 96th Street substation in the NE $\frac{1}{4}$ of Section 32, Town of Wauwatosa, all in Milwaukee County.

Line 33—Section B: A 26,400 volt, double circuit, wood pole, electric transmission line approximately 1.54 miles in length, extending from a point of junction in the NE $\frac{1}{4}$ of Section 5, Town of Greenfield, with a line which is described as Line 11 in the Original Indenture and is subject to the lien and operation thereof, northerly to the 96th Street substation in the NE $\frac{1}{4}$ of Section 32, Town of Wauwatosa, all in Milwaukee County.

TO HAVE AND TO HOLD all said properties, real, personal and mixed, mortgaged, pledged and conveyed by the Company as

aforesaid, or intended so to be, unto the Trustee and its successors and assigns forever;

SUBJECT, HOWEVER, to the exceptions and reservations and matters hereinabove recited, to existing leases other than leases which by their terms are subordinate to the lien of the Indenture, to existing liens upon rights-of-way for transmission or distribution line purposes, as defined in Article I of the Indenture, and any extensions thereof, and subject to existing easements for streets, alleys, highways, rights-of-way and railroad purposes over, upon and across certain of the property hereinbefore described, and subject also to all the terms, conditions, agreements, covenants, exceptions and reservations expressed or provided in the deeds or other instruments respectively under and by virtue of which the Company acquired the properties hereinabove described, and to undetermined liens and charges, if any, incidental to construction or other existing permitted liens as defined in Article I of the Indenture;

IN TRUST, NEVERTHELESS, upon the terms and trusts in the Original Indenture and the indentures supplemental thereto, including this Supplemental Indenture, set forth, for the equal and proportionate benefit and security of all present and future holders of the Bonds and coupons issued and to be issued thereunder, or any of them, without preference of any of said Bonds and coupons of any particular series over the Bonds and coupons of any other series, by reason of priority in the time of the issue, sale or negotiation thereof, or by reason of the purpose of issue or otherwise howsoever, except as otherwise provided in Section 2 of Article IV of the Indenture.

AND THIS INDENTURE FURTHER WITNESSETH, that there are hereby released and excepted from the lien of the Indenture, all and singular the properties, real, personal and mixed, granted, bargained, sold, warranted, aliened, remised, released, conveyed, assigned, transferred, pledged, set over and confirmed to the Company by Wisconsin General Railway, a Wisconsin corporation, by all those certain warranty, correction or quitclaim deeds dated and recorded as follows:

Recorded					
Date of deed	County	Date	Volume of Deeds	Page No.	Document No.
Sept. 30, 1940	Milwaukee	Oct. 3, 1940	1670	501 to 534, incl.	2 282 935
Sept. 30, 1940	Waukesha	Oct. 4, 1940	293	332	236 013
Sept. 30, 1940	Racine	Oct. 11, 1940	365	470-476, incl.	446 745
Sept. 30, 1940	Ozaukee	Oct. 4, 1940	90	105-106	119 159
Sept. 30, 1940	Kenosha	Oct. 11, 1940	222	135-139, incl.	244 361
Feb. 16, 1944	Kenosha	Feb. 17, 1944	255	156-161, incl.	267 773

AND THIS INDENTURE FURTHER WITNESSETH, that there is hereby released and excepted from the lien of the Indenture, all and singular the properties, real, personal and mixed, granted, bargained, sold, warranted, aliened, remised, released, conveyed, assigned, transferred, pledged, set over and confirmed to the Company by The Milwaukee Electric Railway & Transport Company, a Wisconsin corporation, by that certain warranty deed dated September 18, 1940 and recorded on October 5, 1940 in Volume 68 of Deeds, on Page 371, as Document No. 119164, Ozaukee County Registry.

AND IT IS HEREBY COVENANTED, DECLARED AND AGREED, by and between the parties hereto, for the benefit of those who shall hold the Bonds and coupons, or any of them, to be issued under the Indenture, as follows:

PART I.

DESCRIPTION OF BONDS OF 1976 SERIES.

SECTION 1. The second series of Bonds to be executed, authenticated and delivered under and secured by the Indenture shall be Bonds of 1976 Series. The Bonds of 1976 Series shall be designated as "First Mortgage Bonds, 2½% Series due 1976" of the Company. The Bonds of 1976 Series shall be executed, authenticated and delivered in accordance with the provisions of, and shall in all respects be subject to, all of the terms, conditions and covenants of the Original Indenture, except in so far as the terms and provisions of the Original Indenture are amended or modified by this Supplemental Indenture.

The coupon Bonds of 1976 Series shall be dated June 1, 1946, and all Bonds of 1976 Series shall mature June 1, 1976, and shall bear interest at the rate of two and five-eighths per cent. ($2\frac{5}{8}\%$) per annum, payable semi-annually on the first day of June (at the rate of \$13.12) and the first day of December (at the rate of \$13.13) in each year. The Bonds of 1976 Series shall be payable as to principal and interest in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, and shall be payable (as well the interest as the principal thereof) at the agency of the Company in the Borough of Manhattan, The City of New York, or at the agency of the Company in the City of Milwaukee, Wisconsin.

SECTION 2. The Bonds of 1976 Series shall be coupon Bonds registerable as to principal, of the denomination of \$1,000, numbered consecutively from M1 upwards, and registered Bonds without coupons of the denominations of \$1,000, numbered consecutively from RM1 upwards, and \$5,000, numbered consecutively from RV1 upwards, and any multiple of \$5,000, numbered consecutively from R1 upwards. For all registered Bonds of 1976 Series without coupons authenticated and delivered, there may be reserved by the Trustee appropriate serial numbers of coupon Bonds of 1976 Series issuable in exchange therefor as in the Indenture provided for the same aggregate principal amount, and whenever any registered Bonds of 1976 Series without coupons shall be so authenticated and delivered, there may be indicated or endorsed thereon, in such form as may then be required to comply with the rules and regulations of any stock exchange upon which Bonds of 1976 Series are listed or are to be listed or to conform with any usage with respect thereto, the distinctive serial number or numbers so reserved with respect to such registered Bonds of 1976 Series so issued, but, unless such reservation, indication or endorsement be so required, no such reservation, indication or endorsement need be made. Coupon Bonds of 1976 Series may be exchanged, upon surrender thereof, with all unmatured coupons attached, at the agency of the Company in the Borough of Manhattan, The City of New York, or at the agency of the Company in the City of Milwaukee, Wisconsin, for a fully registered

Bond or fully registered Bonds of 1976 Series without coupons, of authorized denominations, for the same aggregate principal amount, upon payment of charges and subject to the terms and conditions set forth in the Indenture.

SECTION 3. The coupon Bonds of 1976 Series, the coupons to be attached thereto, and the registered Bonds of 1976 Series without coupons shall be substantially in the following forms respectively:

[FORM OF COUPON BOND]

WISCONSIN ELECTRIC POWER COMPANY

(Incorporated under the laws of the State of Wisconsin)

FIRST MORTGAGE BOND, 2 $\frac{5}{8}$ % SERIES DUE 1976

Due June 1, 1976

No. M.

\$1,000

WISCONSIN ELECTRIC POWER COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company", which term shall include any successor corporation as defined in the Amended Indenture hereinafter referred to), for value received, hereby promises to pay to the bearer or, if this Bond be registered, to the registered owner hereof, on the first day of June, 1976, the sum of One thousand Dollars, in any coin or currency of the United States of America, which at the time of payment is legal tender for public and private debts, and to pay interest thereon in like coin or currency from the first day of June, 1946, at the rate of of two and five-eighths per cent. (2 $\frac{5}{8}$ %) per annum, payable semi-annually, on the first days of June and December in each year until maturity, or, if this Bond shall be duly called for redemption, until the redemption date, or, if the Company shall default in the payment of the principal hereof, until the Company's obligation with respect to the payment of such principal shall be discharged as provided in the Amended Indenture here-

inafter mentioned, but only, in case of interest due on or before maturity, according to the tenor and upon presentation and surrender of the respective coupons therefor hereto attached as they severally mature. Both principal of, and interest on, this Bond are payable at the agency of the Company in the Borough of Manhattan, The City of New York, or at the agency of the Company in the City of Milwaukee, Wisconsin.

This Bond is one of a duly authorized issue of Bonds of the Company (hereinafter called the "Bonds"), in unlimited aggregate principal amount, of the series hereinafter specified, all issued and to be issued under and equally secured by a mortgage and deed of trust, dated October 28, 1938, executed by the Company to First Wisconsin Trust Company (herein called the "Trustee"), as Trustee, as amended by the indenture supplemental thereto dated June 1, 1946 (herein called the "Supplemental Indenture of June 1, 1946"), between the Company and the Trustee (said mortgage and deed of trust, as so amended, being herein called the "Amended Indenture"), to which Amended Indenture and all indentures supplemental thereto reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the bearers or registered owners of the Bonds and of the Trustee in respect thereto, and the terms and conditions upon which the Bonds are, and are to be, secured. To the extent permitted by, and as provided in, the Amended Indenture, modifications or alterations of the Amended Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Company and of the holders of the Bonds and coupons may be made with the consent of the Company by an affirmative vote of not less than 75% in amount of the Bonds entitled to vote then outstanding, at a meeting of Bondholders called and held as provided in the Amended Indenture, and by an affirmative vote of not less than 75% in amount of the Bonds of any series entitled to vote then outstanding and affected by such modification or alteration, in case one or more but less than all of the series of Bonds then outstanding under the Amended Indenture are so affected; provided, however, that no such modification or alteration shall be made

which will affect the terms of payment of the principal of, or interest or premium (if any) on, this Bond, which are unconditional. The Bonds may be issued in series, for various principal sums, may mature at different times, may bear interest at different rates and may otherwise vary as in the Amended Indenture provided. This Bond is one of a series designated as the "First Mortgage Bonds, 2 $\frac{5}{8}$ % Series due 1976" of the Company, issued under and secured by the Amended Indenture and the Supplemental Indenture of June 1, 1946.

The Bonds of 2 $\frac{5}{8}$ % Series due 1976 are subject to redemption (otherwise than for the Improvement and Sinking Fund or Maintenance Fund hereinafter mentioned or by application of certain moneys included in the trust estate), at any time or from time to time prior to maturity, at the option of the Company, either as a whole or in part by lot, at the following redemption prices (expressed as percentages of their principal amount) respectively, to wit:

104.56% if redeemed on or before May 31, 1947,
 104.41% if redeemed thereafter to and including May 31, 1948
 104.26% if redeemed thereafter to and including May 31, 1949
 104.11% if redeemed thereafter to and including May 31, 1950
 103.96% if redeemed thereafter to and including May 31, 1951
 103.80% if redeemed thereafter to and including May 31, 1952
 103.65% if redeemed thereafter to and including May 31, 1953
 103.50% if redeemed thereafter to and including May 31, 1954
 103.35% if redeemed thereafter to and including May 31, 1955
 103.20% if redeemed thereafter to and including May 31, 1956
 103.04% if redeemed thereafter to and including May 31, 1957
 102.89% if redeemed thereafter to and including May 31, 1958
 102.74% if redeemed thereafter to and including May 31, 1959
 102.59% if redeemed thereafter to and including May 31, 1960
 102.44% if redeemed thereafter to and including May 31, 1961
 102.28% if redeemed thereafter to and including May 31, 1962
 102.13% if redeemed thereafter to and including May 31, 1963
 101.98% if redeemed thereafter to and including May 31, 1964
 101.83% if redeemed thereafter to and including May 31, 1965
 101.68% if redeemed thereafter to and including May 31, 1966

101.52% if redeemed thereafter to and including May 31, 1967
 101.37% if redeemed thereafter to and including May 31, 1968
 101.22% if redeemed thereafter to and including May 31, 1969
 101.07% if redeemed thereafter to and including May 31, 1970
 100.92% if redeemed thereafter to and including May 31, 1971
 100.76% if redeemed thereafter to and including May 31, 1972
 100.61% if redeemed thereafter to and including May 31, 1973
 100.46% if redeemed thereafter to and including May 31, 1974
 100.31% if redeemed thereafter to and including May 31, 1975
 100.16% if redeemed thereafter and prior to maturity,

together, in each case, with accrued interest to the redemption date, upon notice given by publication once in each of three separate calendar weeks in an authorized newspaper, printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York (the first of such publications to be not more than sixty and not less than thirty days before the redemption date), all subject to the conditions and as more fully set forth in the Amended Indenture and Supplemental Indenture of June 1, 1946.

The Bonds of 2 $\frac{5}{8}$ % Series due 1976 are entitled to the benefit of the Improvement and Sinking Fund and the Maintenance Fund for Bonds of such series provided for in the Supplemental Indenture of June 1, 1946, and are subject to redemption for such Improvement and Sinking Fund or such Maintenance Fund or upon application of certain moneys included in the trust estate at the following redemption prices (expressed as percentages of their principal amount) respectively, to wit:

101.57% if redeemed on or before May 31, 1947,
 101.53% if redeemed thereafter to and including May 31, 1948
 101.49% if redeemed thereafter to and including May 31, 1949
 101.46% if redeemed thereafter to and including May 31, 1950
 101.42% if redeemed thereafter to and including May 31, 1951
 101.38% if redeemed thereafter to and including May 31, 1952
 101.34% if redeemed thereafter to and including May 31, 1953
 101.30% if redeemed thereafter to and including May 31, 1954
 101.26% if redeemed thereafter to and including May 31, 1955

101.21% if redeemed thereafter to and including May 31, 1956
 101.17% if redeemed thereafter to and including May 31, 1957
 101.12% if redeemed thereafter to and including May 31, 1958
 101.08% if redeemed thereafter to and including May 31, 1959
 101.03% if redeemed thereafter to and including May 31, 1960
 100.98% if redeemed thereafter to and including May 31, 1961
 100.93% if redeemed thereafter to and including May 31, 1962
 100.88% if redeemed thereafter to and including May 31, 1963
 100.83% if redeemed thereafter to and including May 31, 1964
 100.77% if redeemed thereafter to and including May 31, 1965
 100.72% if redeemed thereafter to and including May 31, 1966
 100.66% if redeemed thereafter to and including May 31, 1967
 100.60% if redeemed thereafter to and including May 31, 1968
 100.54% if redeemed thereafter to and including May 31, 1969
 100.48% if redeemed thereafter to and including May 31, 1970
 100.41% if redeemed thereafter to and including May 31, 1971
 100.35% if redeemed thereafter to and including May 31, 1972
 100.28% if redeemed thereafter to and including May 31, 1973
 100.22% if redeemed thereafter to and including May 31, 1974
 100.15% if redeemed thereafter to and including May 31, 1975
 100.07% if redeemed thereafter and prior to maturity,

together, in each case, with accrued interest to the redemption date; all upon like notice and subject to the conditions and as more fully set forth in the Supplemental Indenture of June 1, 1946.

In case an event of default, as defined in the Amended Indenture, shall occur, the principal of all the Bonds at any such time outstanding under the Amended Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Amended Indenture. The Amended Indenture provides that such declaration may in certain events be waived by the holders of a majority in principal amount of the Bonds outstanding.

This Bond is transferable by delivery except while registered as to principal. This Bond may, from time to time, be registered as to principal in the name of the owner on books of the Com-

pany to be kept for that purpose at the agency of the Company in the Borough of Manhattan, The City of New York, and at the agency of the Company in the City of Milwaukee, Wisconsin, and such registration shall be noted hereon, after which no transfer hereof shall be valid unless made on said books by the registered owner hereof in person or by duly authorized attorney, and similarly noted hereon; but this Bond may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be restored; and this Bond may again, from time to time, be registered or discharged from registration in the same manner. Such registration, however, shall not affect the negotiability of the coupons hereto appertaining, which shall always be payable to bearer and transferable by delivery, and payment to the bearer thereof shall fully discharge the Company in respect of the interest therein mentioned, whether or not this Bond at the time be registered. Such registration, transfers and discharges from registration shall be without expense to the bearer or registered owner hereof, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the bearer or registered owner requesting such registration, transfer or discharge from registration as a condition precedent to the exercise of such privilege.

Coupon Bonds of $2\frac{5}{8}\%$ Series due 1976 may be exchanged upon surrender thereof, with all unmatured coupons attached, at either of said agencies of the Company for a fully registered Bond or fully registered Bonds without coupons of the same series, of authorized denominations, for the same aggregate principal amount, bearing interest from the June 1 or December 1 next preceding the date thereof (each fully registered Bond without coupons to be dated as of the time of issue, unless issued on an interest date, in which event it shall be dated as of the day next following such interest date), all upon payment of the charges and subject to the terms and conditions set forth in the Amended Indenture.

No recourse shall be had for the payment of the principal of, or the interest on, this Bond, or for any claim based hereon or on the Amended Indenture or any indenture supplemental thereto

against any incorporator, or against any stockholder, director or officer, past, present or future, of the Company, or of any predecessor or successor corporation, either directly or through the Company or any such predecessor or successor corporation, whether for amounts unpaid on stock subscriptions or by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitution, statute or otherwise, of incorporators, stockholders, directors or officers being released by every bearer or registered owner hereof by the acceptance of this Bond and as part of the consideration for the issue hereof, and being likewise released by the terms of the Amended Indenture.

Neither this Bond, nor any of the coupons for interest thereon, shall be entitled to any benefit under the Amended Indenture or any indenture supplemental thereto, or become valid or obligatory for any purpose, until First Wisconsin Trust Company, the Trustee under the Amended Indenture, or a successor trustee thereto under the Amended Indenture, shall have signed the form of certificate endorsed hereon.

IN WITNESS WHEREOF, Wisconsin Electric Power Company has caused this Bond to be signed in its name by its President or a Vice President, and its corporate seal (or a facsimile thereof) to be hereto affixed and attested by its Secretary or an Assistant Secretary, and interest coupons bearing the facsimile signature of its Treasurer to be attached hereto, as of the first day of June, 1946.

WISCONSIN ELECTRIC POWER COMPANY,

By

Vice President.

Attest:

.....

Assistant Secretary.

[FORM OF COUPON]

No. \$.....

25/8% Series due 1976

On the first day of.....,, unless the Bond herein mentioned shall have been called for previous redemption and payment thereof duly provided for, Wisconsin Electric Power Company will pay to bearer, on surrender of this coupon at the agency of the Company in the Borough of Manhattan, The City of New York or at the agency of the Company in the City of Milwaukee, Wisconsin, and .../100 Dollars in any coin or currency of the United States of America, which at the time of payment is legal tender for public and private debts, being six months' interest then payable on its First Mortgage Bond, 25/8% Series due 1976, No.

.....
Treasurer.

[FORM OF REGISTERED BOND WITHOUT COUPONS]

WISCONSIN ELECTRIC POWER COMPANY

(Incorporated under the laws of the State of Wisconsin)

FIRST MORTGAGE BOND, 25/8% SERIES DUE 1976

Due June 1, 1976

No. R. \$.....

WISCONSIN ELECTRIC POWER COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company", which term shall include any successor corporation as defined in the Amended Indenture hereinafter referred to), for value received, hereby promises to pay to or

registered assigns, on the first day of June, 1976, the sum ofDollars, in any coin or currency of the United States of America, which at the time of payment is legal tender for public and private debts, and to pay interest thereon in like coin or currency from the June 1 or December 1 next preceding the date of this Bond, at the rate of two and five-eighths per cent. ($2\frac{5}{8}\%$) per annum, payable semi-annually, on the first days of June and December in each year until maturity, or, if this Bond shall be duly called for redemption, until the redemption date, or, if the Company shall default in the payment of the principal hereof, until the Company's obligation with respect to the payment of such principal shall be discharged as provided in the Amended Indenture hereinafter mentioned. Both principal of, and interest on, this Bond are payable at the agency of the Company in the Borough of Manhattan, The City of New York, or at the agency of the Company in the City of Milwaukee, Wisconsin.

This Bond is one of a duly authorized issue of Bonds of the Company (herein called the "Bonds"), in unlimited aggregate principal amount, of the series hereinafter specified, all issued and to be issued under and equally secured by a mortgage and deed of trust, dated October 28, 1938, executed by the Company to First Wisconsin Trust Company (herein called the "Trustee"), as Trustee, as amended by the indenture supplemental thereto dated June 1, 1946 (herein called the "Supplemental Indenture of June 1, 1946"), between the Company and the Trustee (said mortgage and deed of trust, as so amended, being herein called the "Amended Indenture"), to which Amended Indenture and all indentures supplemental thereto reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the bearers or registered owners of the Bonds and of the Trustee in respect thereto, and the terms and conditions upon which the Bonds are, and are to be, secured. To the extent permitted by, and as provided in, the Amended Indenture, modifications or alterations of the Amended Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Company

and of the holders of the Bonds and coupons may be made with the consent of the Company by an affirmative vote of not less than 75% in amount of the Bonds entitled to vote then outstanding, at a meeting of Bondholders called and held as provided in the Amended Indenture, and by an affirmative vote of not less than 75% in amount of the Bonds of any series entitled to vote then outstanding and affected by such modification or alteration, in case one or more but less than all of the series of Bonds then outstanding under the Amended Indenture are so affected; provided, however, that no such modification or alteration shall be made which will affect the terms of payment of the principal of, or interest or premium (if any) on, this Bond, which are unconditional. The Bonds may be issued in series, for various principal sums, may mature at different times, may bear interest at different rates and may otherwise vary as in the Amended Indenture provided. This Bond is one of a series designated as the "First Mortgage Bonds, 2 $\frac{5}{8}$ % Series due 1976" of the Company, issued under and secured by the Amended Indenture and the Supplemental Indenture of June 1, 1946.

The Bonds of 2 $\frac{5}{8}$ % Series due 1976 are subject to redemption (otherwise than for the Improvement and Sinking Fund or Maintenance Fund hereinafter mentioned or by application of certain moneys included in the trust estate), at any time or from time to time prior to maturity, at the option of the Company, either as a whole or in part by lot, at the following redemption prices (expressed as percentages of their principal amount) respectively, to wit:

104.56% if redeemed on or before May 31, 1947,
 104.41% if redeemed thereafter to and including May 31, 1948
 104.26% if redeemed thereafter to and including May 31, 1949
 104.11% if redeemed thereafter to and including May 31, 1950
 103.96% if redeemed thereafter to and including May 31, 1951
 103.80% if redeemed thereafter to and including May 31, 1952
 103.65% if redeemed thereafter to and including May 31, 1953
 103.50% if redeemed thereafter to and including May 31, 1954
 103.35% if redeemed thereafter to and including May 31, 1955

103.20% if redeemed thereafter to and including May 31, 1956
103.04% if redeemed thereafter to and including May 31, 1957
102.89% if redeemed thereafter to and including May 31, 1958
102.74% if redeemed thereafter to and including May 31, 1959
102.59% if redeemed thereafter to and including May 31, 1960
102.44% if redeemed thereafter to and including May 31, 1961
102.28% if redeemed thereafter to and including May 31, 1962
102.13% if redeemed thereafter to and including May 31, 1963
101.98% if redeemed thereafter to and including May 31, 1964
101.83% if redeemed thereafter to and including May 31, 1965
101.68% if redeemed thereafter to and including May 31, 1966
101.52% if redeemed thereafter to and including May 31, 1967
101.37% if redeemed thereafter to and including May 31, 1968
101.22% if redeemed thereafter to and including May 31, 1969
101.07% if redeemed thereafter to and including May 31, 1970
100.92% if redeemed thereafter to and including May 31, 1971
100.76% if redeemed thereafter to and including May 31, 1972
100.61% if redeemed thereafter to and including May 31, 1973
100.46% if redeemed thereafter to and including May 31, 1974
100.31% if redeemed thereafter to and including May 31, 1975
100.16% if redeemed thereafter and prior to maturity.

together, in each case, with accrued interest to the redemption date, upon notice given by publication once in each of three separate calendar weeks in an authorized newspaper, printed in the English language and published and of general circulation in the Borough of Manhattan, The City of New York (the first of such publications to be not more than sixty and not less than thirty days before the redemption date), all subject to the conditions and as more fully set forth in the Amended Indenture and Supplemental Indenture of June 1, 1946.

The Bonds of 2 $\frac{5}{8}$ % Series due 1976 are entitled to the benefit of the Improvement and Sinking Fund and the Maintenance Fund for Bonds of such series provided for in the Supplemental Indenture of June 1, 1946, and are subject to redemption for such Improvement and Sinking Fund or such Maintenance Fund or upon application of certain moneys included in the trust estate

at the following redemption prices (expressed as percentages of their principal amount) respectively, to wit:

101.57% if redeemed on or before May 31, 1947,
101.53% if redeemed thereafter to and including May 31, 1948
101.49% if redeemed thereafter to and including May 31, 1949
101.46% if redeemed thereafter to and including May 31, 1950
101.42% if redeemed thereafter to and including May 31, 1951
101.38% if redeemed thereafter to and including May 31, 1952
101.34% if redeemed thereafter to and including May 31, 1953
101.30% if redeemed thereafter to and including May 31, 1954
101.26% if redeemed thereafter to and including May 31, 1955
101.21% if redeemed thereafter to and including May 31, 1956
101.17% if redeemed thereafter to and including May 31, 1957
101.12% if redeemed thereafter to and including May 31, 1958
101.08% if redeemed thereafter to and including May 31, 1959
101.03% if redeemed thereafter to and including May 31, 1960
100.98% if redeemed thereafter to and including May 31, 1961
100.93% if redeemed thereafter to and including May 31, 1962
100.88% if redeemed thereafter to and including May 31, 1963
100.83% if redeemed thereafter to and including May 31, 1964
100.77% if redeemed thereafter to and including May 31, 1965
100.72% if redeemed thereafter to and including May 31, 1966
100.66% if redeemed thereafter to and including May 31, 1967
100.60% if redeemed thereafter to and including May 31, 1968
100.54% if redeemed thereafter to and including May 31, 1969
100.48% if redeemed thereafter to and including May 31, 1970
100.41% if redeemed thereafter to and including May 31, 1971
100.35% if redeemed thereafter to and including May 31, 1972
100.28% if redeemed thereafter to and including May 31, 1973
100.22% if redeemed thereafter to and including May 31, 1974
100.15% if redeemed thereafter to and including May 31, 1975
100.07% if redeemed thereafter and prior to maturity,

together, in each case, with accrued interest to the redemption date; all upon like notice and subject to the conditions and as more fully set forth in the Supplemental Indenture of June 1, 1946.

In case an event of default, as defined in the Amended Indenture, shall occur, the principal of all the Bonds at any such time outstanding under the Amended Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Amended Indenture. The Amended Indenture provides that such declaration may in certain events be waived by the holders of a majority in principal amount of the Bonds outstanding.

This Bond is transferable by the registered owner hereof, in person or by duly authorized attorney, on the books of the Company to be kept for that purpose at the agency of the Company in the Borough of Manhattan, The City of New York, and at the agency of the Company in the City of Milwaukee, Wisconsin, upon surrender and cancellation of this Bond and on presentation of a duly executed written instrument of transfer, and thereupon a new registered Bond or Bonds without coupons of the same series, of the same aggregate principal amount and in authorized denominations will be issued to the transferee or transferees in exchange herefor; and this Bond, with or without others of like form and series, may in like manner be exchanged for one or more new registered Bonds of the same series of other authorized denominations but of the same aggregate principal amount; or the registered owner of this Bond, at his option, may in like manner surrender the same for cancellation in exchange for the same aggregate principal amount of coupon Bonds of the same series and in authorized denominations, with coupons attached maturing on and after the next ensuing interest date; all upon payment of the charges and subject to the terms and conditions set forth in the Amended Indenture.

No recourse shall be had for the payment of the principal of, or the interest on, this Bond, or for any claim based hereon or on the Amended Indenture or any indenture supplemental thereto, against any incorporator, or against any stockholder, director or officer, past, present or future, of the Company, or of any predecessor or successor corporation, either directly or through the Company or any such predecessor or successor corporation, whether for amounts unpaid on stock subscriptions or by virtue of any constitution, statute or rule of law, or by the enforcement

of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitution, statute or otherwise, of incorporators, stockholders, directors or officers being released by every owner hereof by the acceptance of this Bond and as part of the consideration for the issue hereof, and being likewise released by the terms of the Amended Indenture.

This Bond shall not be entitled to any benefit under the Amended Indenture or any indenture supplemental thereto, or become valid or obligatory for any purpose, until First Wisconsin Trust Company, the Trustee under the Amended Indenture, or a successor trustee thereto under the Amended Indenture, shall have signed the form of certificate endorsed hereon.

IN WITNESS WHEREOF, Wisconsin Electric Power Company has caused this Bond to be signed in its name by its President or a Vice President, and its corporate seal (or a facsimile thereof) to be hereto affixed and attested by its Secretary or an Assistant Secretary.

Dated,

WISCONSIN ELECTRIC POWER COMPANY,

By

Vice President.

Attest:

.....

Assistant Secretary.

[FORM OF TRUSTEE'S CERTIFICATE]

This Bond is one of the Bonds, of the series designated therein, described in the within-mentioned Amended Indenture and Supplemental Indenture of June 1, 1946.

FIRST WISCONSIN TRUST COMPANY,

Trustee,

By

Assistant Secretary.

SECTION 4. Until Bonds of 1976 Series in definitive form are ready for delivery, the Company may execute, and upon its request in writing the Trustee shall authenticate and deliver, in lieu thereof, Bonds of 1976 Series in temporary form, as provided in Section 9 of Article II of the Indenture. Such Bonds of 1976 Series in temporary form may, in lieu of the statement of the specific redemption prices required to be set forth in such Bonds in definitive form, include a reference to this Supplemental Indenture for a statement of such redemption prices.

PART II.

ISSUE OF BONDS OF 1976 SERIES.

SECTION 1. The principal amount of Bonds of 1976 Series which may be authenticated and delivered hereunder is not limited except as the Original Indenture, as amended by this Supplemental Indenture, limits the principal amount of Bonds which may be issued thereunder.

SECTION 2. Bonds of 1976 Series for the aggregate principal amount of Fifty million Dollars (\$50,000,000), being the initial issue of Bonds of 1976 Series, may forthwith be executed by the Company and delivered to the Trustee and shall be authenticated by the Trustee and delivered (either before or after the filing or recording hereof) to or upon the order of the Company, upon receipt by the Trustee of

(1) the certified resolution and the officer's certificate required by Section 3(a) and Section 3(b) of Article III of the Original Indenture,

(2) the opinion of counsel required by Section 3(c) of Article III of the Original Indenture,

(3) cash sufficient for the redemption of all the Fifty-five million Dollars (\$55,000,000) principal amount of the Bonds of 3½% Series due 1968 presently outstanding, as an irrevoc-

cable deposit in trust for the redemption of such Bonds of 3½% Series due 1968, together with irrevocable instructions to the Trustee to publish or cause to be published notice of redemption of said Bonds of 3½% Series due 1968 in the manner provided in the Original Indenture and said Bonds, commencing not later than the next business day after the date of authentication and delivery of the Bonds of 1976 Series,

(4) cash in the amount required to be deposited by Section 3(d) of Article III of the Original Indenture, which shall be held and applied by the Trustee as provided in said Section 3(d),

notwithstanding any of the additional provisions contained in Part VII of this Supplemental Indenture.

PART III.

REDEMPTION.

SECTION 1. The Bonds of 1976 Series shall, subject to the provisions of Article V of the Indenture, be redeemable (otherwise than for the Improvement and Sinking Fund or Maintenance Fund provided in Part IV hereof, and otherwise than pursuant to Section 8 of Article VIII of the Indenture except that, in the case of moneys deposited with the Trustee pursuant to Section 5 of Article III, redemption pursuant to said Section 8 of said Article VIII shall be at the immediately following redemption prices), at any time or from time to time prior to maturity, at the option of the Board of Directors of the Company, either as a whole or in part by lot, at the following redemption prices (expressed as percentages of their principal amount) respectively, to wit:

104.56% if redeemed on or before May 31, 1947,
 104.41% if redeemed thereafter to and including May 31, 1948
 104.26% if redeemed thereafter to and including May 31, 1949
 104.11% if redeemed thereafter to and including May 31, 1950
 103.96% if redeemed thereafter to and including May 31, 1951

103.80% if redeemed thereafter to and including May 31, 1952
 103.65% if redeemed thereafter to and including May 31, 1953
 103.50% if redeemed thereafter to and including May 31, 1954
 103.35% if redeemed thereafter to and including May 31, 1955
 103.20% if redeemed thereafter to and including May 31, 1956
 103.04% if redeemed thereafter to and including May 31, 1957
 102.89% if redeemed thereafter to and including May 31, 1958
 102.74% if redeemed thereafter to and including May 31, 1959
 102.59% if redeemed thereafter to and including May 31, 1960
 102.44% if redeemed thereafter to and including May 31, 1961
 102.28% if redeemed thereafter to and including May 31, 1962
 102.13% if redeemed thereafter to and including May 31, 1963
 101.98% if redeemed thereafter to and including May 31, 1964
 101.83% if redeemed thereafter to and including May 31, 1965
 101.68% if redeemed thereafter to and including May 31, 1966
 101.52% if redeemed thereafter to and including May 31, 1967
 101.37% if redeemed thereafter to and including May 31, 1968
 101.22% if redeemed thereafter to and including May 31, 1969
 101.07% if redeemed thereafter to and including May 31, 1970
 100.92% if redeemed thereafter to and including May 31, 1971
 100.76% if redeemed thereafter to and including May 31, 1972
 100.61% if redeemed thereafter to and including May 31, 1973
 100.46% if redeemed thereafter to and including May 31, 1974
 100.31% if redeemed thereafter to and including May 31, 1975
 100.16% if redeemed thereafter and prior to maturity,

together, in each case, with accrued interest to the redemption date.

The Bonds of the 1976 Series shall, subject to the provisions of Article V of the Indenture, be redeemable through the operation of the Improvement and Sinking Fund or the Maintenance Fund provided in Part IV hereof or pursuant to Section 8 of Article VIII of the Indenture (otherwise than with moneys deposited with the Trustee pursuant to Section 5 of Article III of the Indenture), at the following redemption prices (expressed as percentages of their principal amount) respectively, to wit:

101.57% if redeemed on or before May 31, 1947,
 101.53% if redeemed thereafter to and including May 31, 1948
 101.49% if redeemed thereafter to and including May 31, 1949
 101.46% if redeemed thereafter to and including May 31, 1950
 101.42% if redeemed thereafter to and including May 31, 1951
 101.38% if redeemed thereafter to and including May 31, 1952
 101.34% if redeemed thereafter to and including May 31, 1953
 101.30% if redeemed thereafter to and including May 31, 1954
 101.26% if redeemed thereafter to and including May 31, 1955
 101.21% if redeemed thereafter to and including May 31, 1956
 101.17% if redeemed thereafter to and including May 31, 1957
 101.12% if redeemed thereafter to and including May 31, 1958
 101.08% if redeemed thereafter to and including May 31, 1959
 101.03% if redeemed thereafter to and including May 31, 1960
 100.98% if redeemed thereafter to and including May 31, 1961
 100.93% if redeemed thereafter to and including May 31, 1962
 100.88% if redeemed thereafter to and including May 31, 1963
 100.83% if redeemed thereafter to and including May 31, 1964
 100.77% if redeemed thereafter to and including May 31, 1965
 100.72% if redeemed thereafter to and including May 31, 1966
 100.66% if redeemed thereafter to and including May 31, 1967
 100.60% if redeemed thereafter to and including May 31, 1968
 100.54% if redeemed thereafter to and including May 31, 1969
 100.48% if redeemed thereafter to and including May 31, 1970
 100.41% if redeemed thereafter to and including May 31, 1971
 100.35% if redeemed thereafter to and including May 31, 1972
 100.28% if redeemed thereafter to and including May 31, 1973
 100.22% if redeemed thereafter to and including May 31, 1974
 100.15% if redeemed thereafter to and including May 31, 1975
 100.07% if redeemed thereafter and prior to maturity,

together, in each case, with accrued interest to the redemption date.

SECTION 2. Subject to the provisions of Article V of the Indenture, notice of redemption shall be given by publication once in each of three separate calendar weeks in an authorized news-

paper in the Borough of Manhattan, The City of New York, the first of such publications to be not more than sixty and not less than thirty days prior to the date fixed for redemption, and, if any of the Bonds to be redeemed are registered Bonds or coupon Bonds registered as to principal, similar notice shall be sent by the Company through the mails, postage prepaid, at least thirty days and not more than sixty days prior to the date of redemption, to the registered owners of such Bonds at their addresses as the same shall appear, if at all, on the transfer register of the Company.

PART IV.

IMPROVEMENT AND SINKING FUND AND MAINTENANCE FUND RESPECTING BONDS OF 1976 SERIES.

SECTION 1. The Company will, on or before April 30 of each year beginning with the year 1954 deposit with the Trustee an amount in cash and/or a principal amount of issued Bonds of 1976 Series, not theretofore made the basis for the authentication and delivery of Bonds or the withdrawal of cash or the reduction of the amount of cash required to be paid to the Trustee under any provision of the Indenture or of this Supplemental Indenture, equal in the aggregate to one per cent. (1%) of (a) the greatest aggregate principal amount of Bonds of 1976 Series outstanding at any one time prior to January 1 of such year less (b) the aggregate principal amount of all issued Bonds of 1976 Series retired pursuant to Section 8 of Article VIII of the Indenture prior to the date of such deposit; *provided, however*, that in each year to and including the year 1956, there shall be credited against the amount of cash and/or principal amount of Bonds of 1976 Series so required to be deposited with the Trustee an amount equal to sixty per cent. (60%) of the amount of net bondable value of property additions not subject to an unfunded prior lien which the Company then elects to make the basis of a credit under this Section.

On or before April 30 of each such year beginning with the year 1954 the Company shall deliver to the Trustee:

(a) an officers' certificate which shall state:

(1) the greatest aggregate principal amount of Bonds of 1976 Series outstanding at any one time prior to January 1 of such year; and

(2) the aggregate principal amount of all issued Bonds of 1976 Series retired pursuant to Section 8 of Article VIII of the Indenture prior to the date of such officers' certificate;

and, in each such year to and including the year 1956,

(b) if the Company then elects to make the basis of a credit under this Section any amount of net bondable value of property additions not subject to an unfunded prior lien, the certificates, instruments, opinions, prior lien bonds and cash prescribed in Subdivisions (a) to (g), inclusive, of Section 4 of Article III of the Indenture.

So long as any of the Bonds of 1976 Series are outstanding, property additions used as the basis of a credit under this Section shall not thereafter be made the basis for the authentication and delivery of Bonds or the withdrawal of cash or the reduction of the amount of cash required to be paid to the Trustee under any provision of the Indenture or this Supplemental Indenture or as a credit against the Maintenance Fund provided for in Section 2 of this Part IV.

Notwithstanding any other provisions of the Indenture or this Supplemental Indenture, the Company shall be permitted from time to time to anticipate in whole or in part the requirements of this Section becoming due on April 30 of the then current year or any subsequent year or years, by depositing cash and/or a principal amount of issued Bonds of 1976 Series with the Trustee in full satisfaction or in partial satisfaction of the requirements of this Section.

The Trustee, upon receipt of cash pursuant to the provisions of this Section, shall forthwith proceed to apply the same toward the purchase of issued Bonds of 1976 Series, in an aggregate prin-

principal amount not exceeding the amount of cash deposited, on any securities exchange or in the open market or at private sale at the price or prices most favorable to the Company in the judgment of the Trustee; provided, however, that no Bonds of 1976 Series shall be purchased at such price (including accrued interest and brokerage) that the cost thereof to the Company would exceed the cost of redeeming such Bonds of 1976 Series on a date forty days after the date of such purchase (including in such cost the premium, if any, and accrued interest from the interest date next preceding the date of purchase to such redemption date).

Notwithstanding the foregoing provisions of this Section, the Company, at the time of paying to the Trustee any Improvement and Sinking Fund payment, or at any time or from time to time thereafter, may, by a request in writing signed in the name of the Company by its President or any Vice President, and its Treasurer or any Assistant Treasurer, accompanied by a certified resolution of the Board of Directors authorizing or directing the Trustee to apply an amount therein specified to the redemption of Bonds of 1976 Series, direct the Trustee to apply such Improvement and Sinking Fund payment or any part thereof (not theretofore disbursed by the Trustee for the purchase of Bonds of 1976 Series or required for the purchase of Bonds of 1976 Series under offers or proposals theretofore accepted by the Trustee) to the redemption of Bonds of 1976 Series, and in such event the amount so specified is hereby required to be applied promptly to the redemption of Bonds of 1976 Series. Upon receipt of such instrument in writing and certified resolution of the Board of Directors, the Trustee shall select by lot, in any manner determined by the Trustee to be equitable, from the Bonds of 1976 Series, the particular Bonds of 1976 Series or portions thereof to be redeemed, in an aggregate principal amount sufficient to exhaust as nearly as may be the full amount so specified and within ten days after the receipt of such instrument in writing and certified resolution notify the Company of the particular Bonds of 1976 Series or portions thereof to be redeemed. The Company shall thereupon cause notice of such redemption to be given.

Notwithstanding any other provisions of this Section, if moneys in excess of the sum of Fifty thousand Dollars (\$50,000) deposited with the Trustee pursuant to this Section (except moneys which have theretofore been set aside for the purchase of Bonds of 1976 Series or for the redemption of Bonds of 1976 Series called for redemption) shall have remained on deposit for a period of ninety days, such moneys so remaining on deposit shall promptly thereafter be applied by the Trustee to the redemption of issued Bonds of 1976 Series. In such case the Trustee shall select by lot in any manner determined by the Trustee to be equitable from the Bonds of 1976 Series the particular Bonds of 1976 Series or portions thereof to be redeemed in an aggregate principal amount sufficient to exhaust as nearly as may be the full amount of cash remaining on deposit with the Trustee pursuant to this Section and shall notify the Company of the particular Bonds of 1976 Series or portions thereof to be redeemed. The Company shall thereupon cause notice of such redemption to be given.

Any Bonds of 1976 Series delivered to, or purchased or redeemed by, the Trustee pursuant to the provisions of this Section shall forthwith be canceled by the Trustee and shall not be re-issued, and, so long as any Bonds of 1976 Series are outstanding, no Bonds of 1976 Series so delivered to, purchased or redeemed and canceled shall be made the basis for the authentication and delivery of Bonds, or the withdrawal of cash or the reduction of the amount of cash required to be paid to the Trustee under any provision of the Indenture or of this Supplemental Indenture.

Upon the purchase or redemption by the Trustee of any Bonds of 1976 Series pursuant to the provisions of this Section 1:

(a) The Company shall pay to the Trustee all interest up to but not including the day of purchase or redemption, as the case may be, on all Bonds of 1976 Series so purchased or redeemed, together with cash in the amount, if any, by which the aggregate purchase or redemption price (excluding interest) paid by the Trustee exceeds the aggregate principal amount of the Bonds of 1976 Series purchased or redeemed. The cost of all advertising or publishing and all brokerage

charges shall be paid by the Company, or, if paid by the Trustee, shall forthwith be paid to it by the Company upon demand.

(b) The Trustee shall pay to or upon the order of the Treasurer or an Assistant Treasurer of the Company, from any moneys deposited with the Trustee under this Section 1, an amount equal to the amount by which the aggregate principal amount of Bonds of 1976 Series purchased exceeds the aggregate purchase price (less interest) paid by the Trustee for such Bonds of 1976 Series.

SECTION 2. (A) The Company will, for each calendar year commencing with the calendar year 1947, pay to the Trustee on or before the April 30 next succeeding each such calendar year, as a Maintenance Fund, in cash or principal amount of Bonds issued under the Indenture not theretofore made the basis for the authentication and delivery of Bonds or the withdrawal of cash or the reduction of the amount of cash required to be paid to the Trustee under any provision of the Indenture or of this Supplemental Indenture, a sum equal to

(a) fifteen per cent. (15%) of the amount of the operating revenues of the Company as defined in Section 3 of this Part IV during such calendar year, less all expenditures made during such calendar year by the Company for maintenance and repairs and included or reflected in its operating expense accounts,

less (to the extent that the Company desires to deduct the same)

(b) the cost or, as to property additions which have not been retired, the fair value thereof if the fair value is less than the cost, of gross property additions purchased, constructed or otherwise acquired at any time on or after June 1, 1946, but not theretofore made the basis for the authentication and delivery of Bonds or the withdrawal of cash or the reduction of the amount of cash required to be paid to the Trustee under any provision of the Indenture or of this Supplemental

Indenture or used as a credit against the Improvement and Sinking Fund provided for in Section 1 of this Part IV.

(B) On or before the April 30 next succeeding any such calendar year, the Company shall file with the Trustee

(a) an officer's certificate stating

(1) the amount of the operating revenues of the Company, as defined in Section 3 of this Part IV, during such calendar year;

(2) fifteen per cent. (15%) of such amount;

(3) all expenditures made during such calendar year by the Company for maintenance and repairs and included or reflected in its operating expense accounts;

(4) the amount of gross property additions which the Company desires to deduct pursuant to the provisions of Subdivision (b) of Paragraph (A) of this Section 2;

(5) the excess, if any, shown in any prior certificate or certificates pursuant to Paragraph (C) of this Section 2 to the extent that the same shall not have theretofore been used to offset any deficiencies as shown in any subsequent certificate or certificates filed with the Trustee pursuant to this Paragraph (B);

(6) the amount of the balance, if any, of the amount set forth under Subdivision (a) (2) of this Paragraph (B) remaining after deducting the total of the amounts set forth under Subdivisions (a) (3), (a) (4) and (a) (5) of this Paragraph (B); and

(7) that the respective amounts specified in said certificate have been computed in accordance with the provisions of this Section 2;

and

(b) with respect to any gross property additions which the Company desires to deduct pursuant to the provisions of

Subdivision (b) of Paragraph (A) of this Section 2, the resolution, certificates, instruments, opinion of counsel, prior lien bonds and cash required by Section 1 of Article VIII of the Indenture except that such documents shall refer to the reduction of cash rather than to the withdrawal of cash.

(C) If the total of the amounts specified in Subdivisions (a) (3), (a) (4) and (a) (5) of Paragraph (B) of this Section 2 in any certificate filed in accordance with said Paragraph (B) for any calendar year shall exceed the amount specified in Subdivision (a) (2) in such certificate, the excess shall be available in an amount not to exceed the sum of the amounts stated in Subdivisions (a) (4) and (a) (5) of said Paragraph (B) to offset any deficiency as shown in any subsequent certificate or certificates filed with the Trustee pursuant to this Paragraph (B);

(D) Any cash balance, or any portion thereof, at any time held in the Maintenance Fund, at the option and upon the request of the Company, expressed by a certified resolution, shall be applied by the Trustee to the purchase or redemption of Bonds, as instructed by the Company. Any such cash balance or any portion thereof, at the option of the Company and upon like request, shall be paid over to the Company by the Trustee upon delivery by the Company to the Trustee of an aggregate principal amount of issued Bonds equal to the amount of cash so to be paid over. Any such cash balance or portion thereof may also be withdrawn by the Company upon compliance with the provisions of Section 1 of Article VIII of the Indenture.

(E) So long as any Bonds of 1976 Series are outstanding, (a) any such gross property additions to the extent that they are used by the Company as a deduction pursuant to the provisions of Subdivision (a) (4) of Paragraph (B) of this Section 2 or as a basis for the withdrawal of any cash balance in the Maintenance Fund upon compliance with the provisions of Section 1 of Article VIII of the Indenture shall not thereafter be used as the basis for the authentication and delivery of Bonds or the withdrawal of cash or the reduction of the amount of cash required to be paid to the

Trustee under any provision of the Indenture or this Supplemental Indenture or used as a credit against the Improvement and Sinking Fund provided for in Section 1 of this Part IV; and (b) no Bonds delivered to the Trustee under any provisions of this Section 2 shall be made the basis for the authentication and delivery of Bonds, or the withdrawal of cash or the reduction of the amount of cash required to be paid to the Trustee under any provision of the Indenture or of this Supplemental Indenture.

SECTION 3. The term "operating revenues of the Company" as that term is used herein shall mean and include all revenues derived by the Company from the operation of its plants and properties, remaining after deducting therefrom an amount equal to the aggregate cost to the Company of electric energy or gas purchased for resale to others and rentals paid for the use of property owned by others and leased to or operated by the Company and the maintenance of which and depreciation or depletion on which are borne by the owners.

SECTION 4. No moneys received by the Trustee pursuant to any provision of the Indenture other than this Part IV, and no Bonds purchased or redeemed with such moneys pursuant to Section 8 of Article VIII of the Indenture, shall be credited at any time to or on account of the Improvement and Sinking Fund or Maintenance Fund provided for in this Part IV.

PART V.

ADDITIONAL COVENANTS.

The Company hereby covenants, warrants and agrees:

SECTION 1. That, so long as any of the Bonds of 1976 Series are outstanding, the Company will not declare any dividend on its common stock (other than dividends payable solely in shares of common stock) or make any other distribution on or acquire for value any shares of its common stock (except in exchange for

shares of common stock), unless, after giving effect to such declaration, distribution or acquisition, the sum of

(a) all amounts expended by the Company, during the period commencing June 1, 1946 and ending on the last day of the third month preceding the month in which such dividend is paid or in which such distribution or acquisition is made, for maintenance and repairs and included or reflected in its operating expense accounts,

(b) all appropriations from income, or from earned surplus accumulated during such period, made by the Company during such period for depreciation and depletion of its plants or property, and

(c) the amount by which (i) the sum of \$475,000 plus the net income of the Company during such period applicable to the common stock of the Company exceeds (ii) the total amount disbursed by the Company during such period as dividends on its common stock (other than dividends payable in common stock) and otherwise distributed on its common stock and expended during such period in acquiring shares of its common stock

shall be equal to or in excess of fifteen per cent. (15%) of the operating revenues of the Company during such period as defined in Section 3 of Part IV of this Supplemental Indenture. The earned surplus of the Company as at June 1, 1946, with the exception of \$475,000 thereof, shall be restricted against payment of dividends on the common stock (other than dividends payable solely in shares of common stock) of the Company. Nothing contained herein, however, shall be construed to prevent the Company from charging to earned surplus accumulated prior to June 1, 1946 (1) surplus charges (including, without limiting the generality thereof, surplus charges such as depreciation adjustments, judgments, settlement of claims, taxes and interest thereon) applicable to a period prior to such date, (2) charges for the write-off of unamortized debt discount, premium and expense carried on the books of the Company at such date,

made pursuant to any rule, regulation, requirement or order of any governmental authority having jurisdiction in the premises, (3) charges for the write-off or write-down, approved by or made pursuant to any rule, regulation, requirement or order of any governmental authority having jurisdiction in the premises, of the amount at which any property of the Company was carried in its plant accounts or in any other accounts as a result of transfer from its utility plant accounts as shown on its books at such date, or (4) charges for the write-off of any capital stock expense applicable to the preferred stock of the Company outstanding as at such date, or of any commission and expense or any premiums, duplicate interest charges and duplicate dividend requirements which may be incurred in connection with any refinancing of the bonds and preferred stock of the Company outstanding as at such date.

SECTION 2. That the Company is lawfully seized and possessed of all of the mortgaged property described in the granting clauses of this Supplemental Indenture; that it has good right and lawful authority to mortgage the same as provided in this Supplemental Indenture; and that such mortgaged property is, at the actual date of the initial issue of the Bonds of 1976 Series, free and clear of any deed of trust, mortgage, lien, charge or encumbrance thereon or affecting the title thereto prior to the Indenture, except as set forth in the granting clauses of the Indenture or this Supplemental Indenture.

SECTION 3. That the Company will convey to the Trustee and subject to the lien of the Indenture, by an indenture supplemental thereto, any and all of the property of Wisconsin General Railway, a Wisconsin corporation, and The Milwaukee Electric Railway & Transport Company, a Wisconsin corporation, excepted and released from the lien of the Indenture by this Supplemental Indenture, when and to the extent that such property is used by or useful to the Company in the business of generating, manufacturing, transmitting, distributing or supplying electricity or steam for light, heat, cold, power or other purposes.

PART VI.

PART IV AND SECTION 1 OF PART V LIMITED.

The provisions of Part IV and Section 1 of Part V above shall be binding upon the Company and effective so long, but only so long, as any Bonds of 1976 Series are outstanding. The provision of Section 8 of Article VIII of the Original Indenture shall not apply to any cash deposited with the Trustee pursuant to the provisions of Section 2 of Part IV.

PART VII.

ADDITIONAL CONDITIONS, RESTRICTIONS, COVENANTS, AMENDMENTS,
AND AGREEMENTS.

The terms and provisions of the Original Indenture are hereby modified and amended and supplemented as hereinafter provided.

Section 1. Article I of the Original Indenture is hereby amended by amending the definitions of "Bondable property", "Bonded cost", "Bondholders", "Counsel", "Fair value to the Company", "Independent appraiser", "Independent appraiser's certificate", "Independent engineer", "Independent engineer's certificate", "Net bondable value of property additions not subject to an unfunded prior lien", "Net bondable value of property additions subject to an unfunded prior lien", "Non-bondable property", "Outstanding", "Property additions" and "Retired", to read as follows, by deleting from said Article I the definition of "Net earnings of the Company available for interest and property retirement appropriations", and by adding to said Article I definitions of "Affiliate", "Independent accountant", "Independent accountant's certificate", "Net earnings of the Company available for interest", "Responsible officers of the Trustee", "Securities and Exchange Commission" and "Trust Indenture Act of 1939", reading as follows:

Affiliate:

The term "affiliate", when used with respect to the Company or any other obligor upon the Bonds, shall mean any person or corporation directly or indirectly controlling, controlled by, or under direct or indirect common control with, the Company or such other obligor, as the case may be. As used in this definition, the term "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise.

Bondable property:

The term "bondable property" shall mean all property owned by the Company on June 1, 1946 of the same nature as property hereinafter defined as property additions, and all property additions purchased, constructed or otherwise acquired after June 1, 1946.

Bonded cost:

The term "bonded cost" shall mean:

(a) with respect to any property owned by the Company on June 1, 1946, the gross amount at which such property was carried on the books of the Company at such date (exclusive of any amounts which may now or hereafter be includable in plant acquisition adjustment accounts or plant adjustment accounts with respect to such property); and

(b) with respect to any particular property additions the amount at which such property additions shall have been included in an engineer's certificate filed with the Trustee respecting the amount of net bondable value of property additions on the basis of the distribution made therein, or if the distribution does not show the amount with respect to the particular property addition, the amount at which the signers

of the certificate in which the bonded cost is used shall estimate that such property addition was included in such previous certificate; or if a particular property addition shall not prior to or at the time as of which bonded cost is being determined have been or be included in any such engineer's certificate, the cost thereof to the Company.

Bondholders:

The terms "Bondholders" or "holders of the Bonds" or "holders" shall mean the bearers of any coupon Bonds, the ownership of which is not at the time registered as to principal, the registered owners of any coupon Bonds which are at the time duly registered as to principal and the registered owners of any registered Bonds without coupons.

Any reference to a particular percentage or proportion of the Bondholders, or to a particular percentage or proportion of the holders of Bonds of a particular series, shall mean the holders at the particular time of the specified percentage or proportion in aggregate principal amount of all Bonds then outstanding under this Indenture, or of all Bonds of the particular series then outstanding under this Indenture, as the case may be, exclusive of Bonds or of Bonds of the particular series, as the case may be, owned or held by, for the account of or for the benefit or interest of the Company or any other obligor upon the Bonds (whether or not theretofore issued), or any affiliate of the Company or any such other obligor and whether held in the treasury of the Company, any such other obligor or any such affiliate or pledged to secure any indebtedness; provided, however, that where such reference is made in connection with the protection of the Trustee in acting upon the direction or consent of a specified proportion of Bondholders, such Bonds shall be excluded only if known to the Trustee to be so held, owned or pledged; and provided further, that Bonds so pledged in good faith need not be excluded for the purposes of this paragraph if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the

pledgee is not an affiliate of the Company or any such other obligor. In case of a dispute as to such right, any decision by the Trustee taken upon the advice of counsel shall be full protection to the Trustee.

Counsel:

The term "counsel" shall mean legal counsel (who may be of counsel to the Company) satisfactory to the Trustee.

Fair value to the Company:

The term "fair value to the Company", when used with respect to any particular property additions or any other particular property, shall mean the fair value thereof to the Company (except for the purposes of a certificate or opinion required to be furnished to the Trustee pursuant to the provisions of Subdivision (a) of Section 3 of Article XVIII, in which case the term "fair value" when used with respect to any particular property shall mean the fair value thereof) determined:

(a) in the case of property additions described in any certificate filed with the Trustee pursuant to Section 4 of Article III, or Section 16 of Article IV, or Section 1 or 3(a) of Article VIII, or subdivision (c) of Section 3 of Article XVIII; or in any certificate filed pursuant to any indenture supplemental hereto as the basis for determining the amount of net bondable value of property additions, or for the reduction of the amount of cash required to be paid into the trust estate pursuant to any sinking, improvement or maintenance fund, or for the withdrawal of cash from the trust estate, as of a date not more than ninety (90) days prior to the date of filing of the first such certificate in which such property additions are described,

(b) in the case of a certificate filed with the Trustee pursuant to Section 14 of Article IV, Section 3(b) of Article VII, Section 7 of Article VIII or Subdivisions (a) and (b) of Section 3 of Article XVIII as of a date not more than

ninety (90) days prior to the date of filing of such certificate, or

(c) in other cases, as of a date not more than ninety (90) days prior to the particular time in question.

Any of the certificates described in Subdivisions (a) and (b) above shall be deemed to have been filed at the time when all of the documents, cash and securities required to be filed, paid or delivered, for the granting of the application in connection with which such certificate is filed shall have been filed, paid or delivered, as required by this Indenture or any indenture supplemental hereto.

The "fair value" of any particular property additions or particular property subject to any lien shall be determined as if such property additions or other property were free of such lien.

The "fair value" of any property additions consisting of an acquired plant or system shall not include any amount for any franchises, contracts, operating agreements or other rights or non-bondable property acquired simultaneously therewith, even though no separate or distinct consideration shall have been paid for, or apportioned to, such franchises, contracts, operating agreements or other rights or property.

Independent accountant:

The term "independent accountant" or "independent public accountant" shall mean an individual, co-partnership or corporation, engaged in the accounting profession, and entitled to practice as a public accountant under the laws of the state, territory, or country of his or its residence or principal office, who or which is in fact independent and, in the case of an individual, who is not a director, officer or employee of the Company or of an affiliate of the Company or of any other obligor under this Indenture or upon any of the Bonds, and, in the case of a co-partnership or corporation, which is not an affiliate of the Company or of any other obligor under this Indenture or upon any of the Bonds and which does not have a partner, director or officer who

is a director, officer or employee of the Company or of any affiliate of the Company or of any such obligor, whether or not such individual, co-partnership or corporation is regularly retained by the Company or by any affiliate of the Company or by such other obligor.

Independent accountant's certificate:

The term "independent accountant's certificate" shall mean a certificate or opinion signed by an independent accountant appointed by the Board and approved by the Trustee in the exercise of reasonable care.

Independent appraiser:

The term "independent appraiser" shall mean an individual, co-partnership or corporation, engaged in the business of appraising property or otherwise competent to determine the value of the particular property in question, who or which is in fact independent and, in the case of an individual, who is not a director, officer or employee of the Company or of an affiliate of the Company or of any other obligor under this Indenture or upon any of the Bonds, and, in the case of a co-partnership or corporation, which is not an affiliate of the Company or of any other obligor under this Indenture or upon any of the Bonds and which does not have a partner, director or officer who is a director, officer or employee of the Company or of any affiliate of the Company or of any such obligor, whether or not such individual, co-partnership or corporation is regularly retained by the Company or by any affiliate of the Company or by such other obligor.

Independent appraiser's certificate:

The term "independent appraiser's certificate" shall mean a certificate signed and verified by an independent appraiser appointed by the Board and approved by the Trustee in the exercise of reasonable care.

Independent engineer:

The term "independent engineer" shall mean an individual, co-partnership or corporation, qualified to pass upon engineering questions, who or which is in fact independent and, in the case of an individual, who is not a director, officer or employee of the Company or of an affiliate of the Company or of any other obligor under this Indenture or upon any of the Bonds, and, in the case of a co-partnership or corporation, which is not an affiliate of the Company or of any other obligor under this Indenture or upon any of the Bonds and which does not have a partner, director or officer who is a director, officer or employee of the Company or of any affiliate of the Company or of any such obligor, whether or not such individual, co-partnership or corporation is regularly retained by the Company or by any affiliate of the Company or by such other obligor.

Independent engineer's certificate:

The term "independent engineer's certificate" shall mean a certificate signed and verified by an independent engineer appointed by the Board and approved by the Trustee in the exercise of reasonable care.

Net bondable value of property additions not subject to an unfunded prior lien:

The term "net bondable value of property additions not subject to an unfunded prior lien" shall mean, at any particular time:

(a) the aggregate of the cost or, as to property additions which have not been retired, the fair value to the Company, if the fair value is less than cost, of all gross property additions not subject to an unfunded prior lien purchased, constructed or otherwise acquired by the Company;

less the aggregate of

(b) the bonded cost of all bondable property (other than property released from the lien of this Indenture pursuant to

Section 3 or Section 5 of Article VII and other than property covered by Subdivision (e) of this definition) which was not subject to an unfunded prior lien at the date of its retirement, theretofore (but since June 1, 1946) retired;

(c) in case such gross property additions specified in (a) above shall include property additions theretofore subject to an unfunded prior lien, which shall prior to or simultaneously with the particular time become a funded prior lien or be discharged—the bonded cost of all property additions which were subject to such unfunded prior lien and which have been retired by the Company during the period between the date of its first acquisition of the property subject to such prior lien and the date such prior lien became a funded prior lien or was discharged but which were not theretofore deducted in a certificate filed with the Trustee respecting the amount of net bondable value of property additions not subject to an unfunded prior lien;

(d) the excess, if any, of the bonded cost of all bondable property of the Company which was not subject to an unfunded prior lien at the date of its release, theretofore (but since June 1, 1946) released from the lien of this Indenture pursuant to Section 3 or Section 5 of Article VII, over the fair value thereof at the time of its release, as stated in an engineer's certificate filed with the Trustee pursuant to Section 3 (b) of Article VII, or over the proceeds of such property paid over to the Trustee or the trustee or other holder of any funded prior lien pursuant to Section 5 of Article VII, as the case may be;

(e) the excess, if any, of the bonded cost of all bondable property of the Company not subject to an unfunded prior lien over the amount of insurance moneys received since June 1, 1946 by the Trustee or the trustee or other holder of any prior lien with respect thereto;

(f) the amount of all cash received by the Trustee as release moneys which have been applied since June 1, 1946 to

sinking, improvement, maintenance or analogous fund payments pursuant to Section 5 of Article VIII;

(g) the amount at which property additions theretofore used

(1) for the withdrawal of cash as provided by Section 1 of Article VIII, or

(2) for the reduction of cash required to be deposited pursuant to Section 3(d) of Article VII or by any provision of any indenture supplemental hereto, by simultaneous compliance with Section 1 of Article VIII or corresponding requirements of any other Section of this Indenture or any indenture supplemental hereto

are included in gross property additions stated pursuant to Subdivision (a) of this definition;

(h) Ten-sixths ($\frac{1}{6}$ ths) of the amount of all cash theretofore (but since June 1, 1946) withdrawn pursuant to Section 3(a) of Article VIII;

(i) Ten-sixths ($\frac{1}{6}$ ths) of the aggregate principal amount of additional Bonds theretofore (but since June 1, 1946) authenticated and delivered upon the basis of property additions; and

(j) The aggregate of all amounts theretofore required to have been deducted from net bondable value of property additions not subject to an unfunded prior lien pursuant to any indenture supplemental hereto, less any portion thereof permitted to be restored to net bondable value of property additions not subject to an unfunded prior lien or no longer required to be deducted therefrom pursuant to any indenture supplemental hereto.

Net bondable value of property additions subject to an unfunded prior lien:

The term "net bondable value of property additions subject to an unfunded prior lien" shall mean the aggregate of

the cost or, as to property additions which have not been retired, the fair value to the Company, if the fair value is less than cost, of all gross property additions subject to the unfunded prior lien or prior liens in question, purchased, constructed or otherwise acquired by the Company after the first acquisition of property subject to such unfunded prior lien, less:

(a) the bonded cost of all bondable property, subject to such unfunded prior lien or prior liens, theretofore (but since June 1, 1946) retired;

(b) the excess, if any, of the fair value at the time of release, as stated in an engineer's certificate filed with the Trustee pursuant to Section 3(b) of Article VII, or of the proceeds of property paid over to the Trustee or the trustee of such unfunded prior lien, pursuant to Section 5 of Article VII, as the case may be, of all bondable property, which was subject to such unfunded prior lien or prior liens at the date of release, theretofore (but since June 1, 1946) released from the lien of this Indenture, over the bonded cost thereof;

(c) Ten-sixths ($\frac{10}{6}$ ths) of the principal amount of prior lien bonds secured by such prior lien or prior liens issued since June 1, 1946 by the Company as permitted by Section 16(a) (1) of Article IV; and

(d) Ten-sixths ($\frac{10}{6}$ ths) of the amount of cash deposited since June 1, 1946 by the Company upon the issue of prior lien bonds secured by such prior lien or prior liens theretofore (but since June 1, 1946) withdrawn on the basis of property additions.

Net earnings of the Company available for interest:

The term "net earnings of the Company available for interest" shall mean the net earnings of the Company ascertained as follows:

(a) The total operating revenues of the Company shall be ascertained.

(b) From the total, determined as provided in Subdivision (a), there shall be deducted all operating expenses of the Company including all salaries, rentals, insurance, license and franchise fees, expenditures for repairs and maintenance, taxes (other than income, excess profits and other taxes measured by or dependent on net taxable income), and an amount equal to the minimum provision for depreciation as hereinafter defined, but excluding all interest and sinking fund charges, amortization of stock and debt discount and expense or premium, and further excluding any charges to income or otherwise for the amortization of plant or property accounts or of amounts transferred therefrom.

(c) To or from the balance remaining after deducting (b) from (a) there shall be added or deducted, as the case may be, the net non-operating income or the net non-operating loss of the Company, including in the computation thereof interest and dividends received from other corporations including subsidiaries.

(d) The balance remaining after the deduction of the total amount computed pursuant to Subdivision (b) from the total amount computed pursuant to Subdivision (a), plus or minus the total amount computed pursuant to Subdivision (c), shall constitute the "net earnings of the Company available for interest".

(e) No profits or losses from the sale of capital assets shall be included in making the foregoing computations.

(f) In case the Company shall have acquired any acquired plant or system within or after the particular period for which the calculation of net earnings of the Company available for interest is made, then, in computing the net earnings of the Company available for interest there shall be included, to the extent that they may not

have been otherwise included, the net earnings or net losses of such acquired plant or system for the whole of such period. The net earnings or net losses of such acquired plant or system for the period preceding such acquisition shall be ascertained and computed as provided in the foregoing Subdivisions of this definition as if such acquired plant or system had been owned during the whole of such period.

(g) In case the Company shall have obtained the release of any particular property pursuant to Section 3 of Article VII, of a fair value in excess of Five hundred thousand Dollars (\$500,000) as shown by the engineer's certificate required by said Section 3, or shall have obtained the release of any property pursuant to Section 5 of Article VII, the proceeds of which shall have exceeded Five hundred thousand Dollars (\$500,000), within or after the particular period for which the calculation of net earnings of the Company available for interest is made, then, in computing the net earnings of the Company available for interest, the net earnings or net losses of such property for the whole of such period shall be excluded to the extent practicable on the basis of actual earnings and expenses of such property or on the basis of such estimates of the earnings and expenses of such property as the signers of the officers' certificate filed with the Trustee pursuant to Section 3(b) of Article III or Section 16 of Article IV shall deem proper.

The term "minimum provision for depreciation" as used herein shall mean an amount equal to (a) fifteen per cent. (15%) of the total operating revenues of the Company after deducting therefrom an amount equal to the aggregate cost to the Company of electric energy and gas purchased for resale to others and rentals paid for, or other payments made for the use of, property owned by others and leased to or operated by the Company and the maintenance of which and depreciation on which is borne by the owners, less (b) an

amount equal to the expenditures for maintenance and repairs to the plants and properties of the Company and included or reflected in its operating expense accounts.

The terms "net earnings of property available for interest" and "net earnings of another corporation available for interest", when used with respect to any property or with respect to another corporation, shall mean the net earnings of such property or such other corporation, as the case may be, computed in the manner provided in this definition for the computation of net earnings of the Company available for interest.

The net earnings available for interest, whether of the Company or of some other corporation or of property, shall be determined in accordance with principles of sound accounting practice.

Non-bondable property:

The term "non-bondable property" shall mean any property of the Company other than bondable property, whether owned by the Company on June 1, 1946, or purchased, constructed or otherwise acquired by it after June 1, 1946.

Outstanding:

The term "outstanding", when used with respect to Bonds, shall, except as otherwise provided in Article XIII, have the meaning specified in the definition of Bonds, and, when used with respect to prior lien bonds, shall have the meaning specified in the definition of prior lien bonds, and, when used with respect to any other indebtedness of the Company or another corporation, shall have a meaning similar to the meaning of outstanding when used with respect to prior lien bonds.

Property additions:

The term "property additions" shall mean any new or additional property, real or personal (including separate and dis-

inct units, plants, systems and properties), located within the State of Wisconsin, or located in any other state if such property is physically connected with any of the properties of the Company located in Wisconsin, either directly or through other property of the Company, and improvements, extensions or additions (including in these terms equipment and appliances installed as a part of the fixed property of the Company) to or about the plants or properties of the Company purchased, constructed or otherwise acquired by the Company after June 1, 1946, and in every case used or useful for the business of generating, manufacturing, transmitting, distributing or supplying electricity or steam for light, heat, cold, power or other purposes, and in every case properly chargeable to fixed property accounts under the regulations, rules and orders, if any, with respect to such matters, in force at the time, of the Public Service Commission of Wisconsin or other public body or authority having jurisdiction or supervisory authority over the accounts of the Company, or, if there are no such regulations, rules and orders, in the opinion of the signers of a certificate of the nature required by Section 4(a) of Article III or Section 1(b) of Article VIII.

"Property additions" as so defined, without limitation of the general import of such term, shall include:

(a) subject to Article XII, property acquired by the Company or by a successor corporation as a result of any consolidation or merger to which the Company or any successor corporation, may be a party;

(b) permanent improvements, extensions or additions to or about the properties of the Company in the process of construction or partially completed, in so far as actually constructed or completed;

(c) property purchased, constructed or otherwise acquired to replace property retired;

(d) easements, rights-of-way and leases over private property for towers, poles, wires, conduits or mains, or for transmission line or distribution line purposes, and rights, per-

mits, or licenses to use or appropriate water, or to overflow the land of others by the erection of dams or otherwise, and transmission line or distribution line equipment or dams, sub-stations or other similar structures installed by the Company on any such land, provided that, in the opinion of counsel, such easements, rights-of-way and leasehold interests or such rights, permits, or licenses shall run for an unlimited or indeterminate or indefinite period of time, or for a period of time extending beyond the date of maturity of all Bonds then outstanding under this Indenture and all additional Bonds applied for at the particular time in question, or the Company has power, under eminent domain or similar statutes, to condemn and acquire such rights-of-way or rights-of-way adjacent thereto, or to acquire rights, permits, or licenses sufficient for its purposes to use or appropriate water or overflow said lands, as the case may be; and

(e) transmission line or distribution line equipment or dams, sub-stations or other similar structures located or constructed on, over or under public highways or other public property, provided that the Company shall, in the opinion of counsel, have the lawful right under permits or franchises granted by a governmental body having jurisdiction in the premises or by the law of the state in which such property is located to maintain and operate such equipment or structures for an unlimited, indeterminate or indefinite period of time or for the period, if any, specified in such permit or franchise or law and that the terms of such permit or franchise or law do not contain any provisions giving to any public authority the right to take over such equipment or structures without the payment of fair consideration therefor.

"Property additions" as so defined shall not include:

- (aa) good will or going concern value;
- (bb) any contracts or operating agreements or franchises or governmental permits, granted or acquired, as such, separate and distinct from the property operated thereunder or in connection therewith or incident thereto;

(cc) any shares of stock or certificates or evidences of interest therein, or any bonds, notes or other evidences of indebtedness or certificates of interest therein or any other securities;

(dd) any materials, merchandise, appliances or supplies acquired for the purpose of resale or leasing to its customers in the ordinary course and conduct of the business of the Company, or any materials or supplies held for consumption in operation or held in advance of use thereof for fixed capital purposes;

(ee) leasehold estates, rights-of-way, or easements, with respect to land owned by others and additions installed by the Company on leasehold estates, rights-of-way or easements or under any permits or franchises granted by a governmental body, except as permitted by Subdivisions (d) and (e) of this definition; or

(ff) any gas properties and transportation properties.

Responsible officers of the Trustee:

The term "responsible officers of the Trustee" shall mean the chairman of the board of directors, the president, every vice president, the secretary, the treasurer, every trust officer, every assistant trust officer, and every other officer and assistant officer of the Trustee customarily performing functions similar to those performed by the persons who at the time shall be such officers respectively or to whom any corporate trust matter is referred because of his knowledge of and familiarity with a particular subject.

Retired:

The term "retired" shall mean property retired, abandoned, destroyed, lost through the enforcement of mortgage or other liens on easements or rights-of-way for transmission or distribution line purposes, or sold, released or otherwise disposed of.

Securities and Exchange Commission:

The term "Securities and Exchange Commission" shall mean the Commission created by the Securities Exchange Act of 1934, and shall include any commission or bureau successor to the Securities and Exchange Commission charged by law with the administration of the Securities Exchange Act of 1934 or the Trust Indenture Act of 1939.

Trust Indenture Act of 1939:

Unless inconsistent with the context, whenever reference is made in this Indenture to the "Trust Indenture Act of 1939" reference is made to such Act as it was in force on the date of this Indenture. All terms used in this Indenture in any provision thereof required to be inserted therein by the Trust Indenture Act of 1939 and not specifically defined in this Indenture shall have the meaning specified in the Trust Indenture Act of 1939.

Section 2. Section 8 of Article II of the Original Indenture is hereby amended so that said Section 8, as amended, shall read as follows:

SECTION 8. Coupon Bonds of any authorized denominations bearing all unmatured coupons may, upon surrender thereof to the Company in principal amounts aggregating One thousand Dollars or some multiple thereof, be exchanged for the same aggregate principal amount of coupon Bonds, of the same series and of the same maturity, in any authorized denomination not less than One thousand Dollars, bearing all unmatured coupons. A registered Bond without coupons, with or without others of like form, series and maturity, may, upon surrender thereof to the Company, be exchanged for one or more such Bonds of like form for the same aggregate principal amount, of the same series and maturity, in authorized denominations. A registered Bond without coupons may, upon surrender thereof to the Company, together with all unmatured instruments, if any, issued in connection with such registered Bond evidencing the right to receive

interest with respect thereto, be exchanged for a coupon Bond or Bonds for the same aggregate principal amount, of the same series and of the same maturity, in any authorized denomination not less than One thousand Dollars, with coupons representing interest from the next preceding interest payment date, and bearing the serial numbers, if any, reserved for or endorsed on the Bond surrendered; provided, however, that the Company shall not be obligated to make any such exchange except after notice giving it a reasonable time for the preparation of the coupon Bond or Bonds to be delivered on such exchange.

Section 3. Sections 3 and 4 of Article III of the Original Indenture are hereby amended so that said Sections 3 and 4, as amended, shall read as follows:

SECTION 3. Except as otherwise specifically provided in Section 4(h) and Section 6(b) of this Article III, the Company shall file or deposit with the Trustee, upon any application for the authentication of additional Bonds pursuant to Sections 4, 5 or 6 of this Article III:

(a) A certified resolution of the Board of Directors authorizing the execution and requesting the authentication and delivery of the additional Bonds applied for in the principal amount therein specified, designating the series of such Bonds, as created by the terms of an indenture supplemental hereto, and naming the officer or officers of the Company to whom or upon whose order such Bonds shall be delivered.

(b) An officers' certificate stating in substance that

(1) The net earnings of the Company available for interest, for any twelve consecutive calendar months during the period of fifteen calendar months immediately preceding the first day of the month in which the application for authentication and delivery of additional Bonds is made, have been in the aggregate equal to not less than the greater of twice the amount of the annual interest charges on or ten per cent. (10%) of the principal amount of

(i) all Bonds then outstanding under this Indenture and the additional Bonds applied for;

(ii) all prior lien bonds at the time outstanding and all prior lien bonds, if any, simultaneously applied for; and

(iii) in case the Company shall have been consolidated or merged with or into or shall have made a conveyance to any other corporation as permitted by Article XII and the corporation formed by or resulting from such consolidation or merger or to which such conveyance shall have been made, as aforesaid, shall not have executed and delivered to the Trustee and caused to be recorded a supplemental indenture subjecting to the lien of the Indenture all property and franchises then owned and which may thereafter be acquired by said successor corporation (other than property of the character defined in the granting clauses hereof as excepted property), all other indebtedness of said successor corporation maturing more than one year from the date of creation thereof;

(2) The net earnings of the Company available for interest have been calculated in accordance with the definition thereof contained in Article I, and to that end specifying the operating revenues of the Company and the net non-operating income or loss of the Company and the deductions therefrom, all as called for by said definition; and

(3) The Company is not, and by the making or granting of the application will not be, in default in the performance of any of the terms and covenants of this Indenture.

(c) An opinion of counsel to the effect that:

(1) Since the date of the last previous opinion of counsel filed with the Trustee pursuant to Section 4, 5 or 6 of this Article III (or since June 1, 1946 in the case of the first opinion filed hereunder thereafter), no prop-

erty described in the granting clauses of this Indenture or in any previous certificate filed with the Trustee respecting the amount of net bondable value of property additions not subject to an unfunded prior lien, or in any previous certificate as to property additions of such character filed with the Trustee pursuant to Section 1 of Article VIII or corresponding requirements of any other Section of this Indenture or any indenture supplemental hereto, which is still owned by the Company, has become and still remains subject to any lien prior to the lien of this Indenture as security for the Bonds then outstanding or the additional Bonds then applied for, excepting specified judgment liens and permitted liens;

(2) The issue of the additional Bonds, the authentication and delivery of which are being applied for, has been duly authorized by all governmental authorities the consent of which is requisite to the legal issue of such Bonds or that no such consent is required; and, unless such opinion shall show that no consent of any governmental authority is requisite to the legal issue of the additional Bonds applied for, it shall specify any official certificates or other documents by which such consent is evidenced, and the same or certified copies thereof shall accompany such opinion; and

(3) The Company is duly authorized and entitled to the authentication and delivery of the additional Bonds applied for in accordance with the provisions of this Indenture and to issue such additional Bonds under the laws of the State of Wisconsin and the applicable laws of any other jurisdiction; that upon the issue of such Bonds, such Bonds will be the valid and binding obligations of the Company and entitled to the benefits and security of this Indenture; and that the amount of Bonds then outstanding under this Indenture will not exceed the amount at the time permitted by law.

(d) An amount of cash equal to the aggregate amount of all judgment liens specified in the opinion of counsel pro-

vided for in Subdivision (c) of this Section, less the amount of all cash then held by the Trustee on account of such judgment liens, which shall be held and applied by the Trustee as a part of the trust estate and which may be withdrawn only in accordance with Section 6 of Article VIII.

SECTION 4. From time to time hereafter the Company, in addition to the Bonds authorized to be executed, authenticated and delivered pursuant to the other provisions of this Article III, may execute and deliver to the Trustee, and the Trustee shall thereupon authenticate and deliver to or upon the order of the Company, additional Bonds for an aggregate principal amount equal to sixty per cent. (60%) of the net bondable value of property additions not subject to an unfunded prior lien. The Trustee shall authenticate and deliver such additional Bonds only upon receipt by it of:

(a) An engineer's certificate respecting the amount of net bondable value of property additions not subject to an unfunded prior lien (such amount being hereafter in this Subdivision (a) sometimes referred to as the amount of net bondable value of property additions, all references to property additions being to property additions not subject to an unfunded prior lien except where otherwise specified), showing in substance:

(1) The balance, if any, of net bondable value of property additions, as stated in the most recent certificate, if any, theretofore filed with the Trustee respecting the amount of net bondable value of property additions, which shall not, however, exceed Five hundred thousand Dollars (\$500,000).

(2) The aggregate cost to the Company of the gross property additions purchased, constructed or otherwise acquired by the Company during the period specified in such certificate and not described in any previous certificate filed with the Trustee respecting the amount of net bondable value of property additions. A descrip-

tion in reasonable detail of such gross property additions, which may be in accordance with the classifications then used by the Company in its property account and may, in the case of tracts or parcels of land, be by reference to the deeds by which the same were acquired or to the supplemental indenture by which the same were or are being conveyed to the Trustee; and which shall specify any gross property additions consisting of an acquired plant or system, or which shall have been acquired and paid for in whole or in part through the issue or delivery of shares of stock or other securities. Whether the fair value to the Company (as of the date provided for in the definition of fair value to the Company contained in Article I) of any particular property addition included in the certificate, except such as have been retired by the Company, is less than the cost to the Company thereof, and, if so, such fair value thereof. A distribution of the cost to the Company, or the fair value to the Company, if the fair value is less than the cost, of the property additions described in the certificate among the various classes of such property additions, to such extent and upon such basis, which may be an estimate, as the signers deem proper. If the fair value of any property additions is less than the cost thereof to the Company, the fair value shall be used in determining the total of the gross property additions described pursuant to the provisions of this Paragraph (2).

(In case the inclusion in the certificate of all of the gross property additions purchased, constructed, or otherwise acquired by the Company during the period stated in the certificate would result in a balance of over Five hundred thousand Dollars (\$500,000) of net bondable value of property additions remaining after the granting of the application being made, an amount of the gross property additions purchased, constructed, or otherwise acquired during such period sufficient to prevent such balance from exceeding Five hundred thousand Dollars (\$500,000) shall be omitted from the

gross property additions stated in said certificate, but the gross property additions so omitted may be included in any later certificate, regardless of the period covered by such later certificate. No property additions subject to an unfunded prior lien, which will not, prior to or simultaneously with the granting of the application with respect to which a certificate is then being filed, become a funded prior lien, and no property additions with respect to which the Company cannot at the time furnish the opinion of counsel, required by subdivision (e) of this Section, shall be included in the gross property additions stated, but such property additions may be included in a later certificate when such unfunded prior lien shall become a funded prior lien or when the Company is able to furnish the opinion of counsel, as the case may be, regardless of the period covered by such later certificate.)

(3) The bonded cost of all bondable property of the Company (other than property released from the lien of this Indenture pursuant to Section 3 or Section 5 of Article VII and other than property with respect to which insurance moneys have been received by the Trustee or the trustee or other holder of any prior lien), which was not subject to an unfunded prior lien at the date of its retirement, retired during the period between the latest date of the period for which retirements were stated in the most recent certificate, if any, theretofore filed with the Trustee respecting the amount of net bondable value of property additions (or June 1, 1946 in the case of the first such certificate thereafter) and the last day of any calendar month within the period of three calendar months immediately preceding the first day of the month in which the particular certificate is being filed with the Trustee, or the last day of the period during which the gross property additions described in paragraph (2) of this Subdivision (a) were purchased, constructed or otherwise acquired, if such date is later.

(4) In case the gross property additions described in the certificate shall include property additions theretofore subject to an unfunded prior lien, which prior to or simultaneously with the granting of such application will become a funded prior lien or be discharged—the bonded cost of all property additions which were subject to such unfunded prior lien and which have been retired by the Company during the period between the date of its first acquisition of the property subject to such prior lien and the date such prior lien became a funded prior lien or was discharged, but which have not theretofore been deducted in a certificate filed with the Trustee respecting the amount of net bondable value of property additions.

(5) The excess, if any, of the bonded cost of all bondable property of the Company, which was not subject to an unfunded prior lien at the date of its release, released from the lien of this Indenture pursuant to Section 3 or Section 5 of Article VII during the period between the date of filing the most recent certificate, if any, theretofore filed with the Trustee respecting the amount of net bondable value of property additions (or June 1, 1946 in the case of the first such certificate thereafter) and the date of filing the certificate then being filed, over the fair value to the Company of such property at the time of such release, as stated in an engineer's certificate filed with the Trustee pursuant to Section 3(b) of Article VII, or over the proceeds of such property paid over to the Trustee or the trustee or other holder of any funded prior lien pursuant to Section 5 of Article VII, as the case may be.

(6) The excess, if any, of the bonded cost of all bondable property of the Company not subject to an unfunded prior lien lost or damaged by reason of fire or other casualty over the amount of insurance moneys received by the Trustee or the trustee or other holder of any prior lien with respect thereto in accordance with the provisions of Section 6 of Article IV of this Indenture, during the period

between the date of filing the most recent certificate, if any, theretofore filed with the Trustee respecting the amount of net bondable value of property additions (or June 1, 1946 in case of the first such certificate thereafter) and the date of filing the certificate then being filed.

(7) The amount of all cash received by the Trustee as release moneys which have been applied since June 1, 1946 to any sinking, improvement, maintenance or analogous fund payments pursuant to Section 5 of Article VIII, during the period between the date of filing the most recent certificate, if any, with respect to net bondable value of property additions theretofore filed with the Trustee (or June 1, 1946 in the case of the first such certificate thereafter) and the date of filing the certificate then being filed.

(8) The amount at which property additions theretofore used

(i) for the withdrawal of cash as provided by Section 1 of Article VIII or

(ii) for the reduction of cash required to be deposited pursuant to Section 3(d) of Article VII or by any provision of any indenture supplemental hereto, by simultaneous compliance with Section 1 of Article VIII or corresponding requirements of any other Section of this Indenture or any indenture supplemental hereto,

are included in gross property additions stated pursuant to Paragraph (2) of this Subdivision (a).

(9) Ten-sixths ($\frac{10}{6}$ ths) of the amount of cash, if any, which is simultaneously being withdrawn pursuant to Section 3(a) of Article VIII.

(10) Ten-sixths ($\frac{10}{6}$ ths) of the aggregate principal amount of additional Bonds then applied for upon the basis of property additions.

(11) The balance of net bondable value of property additions, shown by said certificate, which shall be computed by taking

(i) the sum of the amounts stated pursuant to Paragraph (1) of this Subdivision (a), and the total of the gross property additions stated pursuant to Paragraph (2) of this Subdivision (a),

and subtracting therefrom

(ii) the sum of the amounts stated pursuant to Paragraphs (3), (4), (5), (6), (7), (8), (9) and (10) of this Subdivision (a).

(12) That the gross property additions described in the certificate are property additions as defined in Article I; that no portion of such property additions was included in any other certificate filed with the Trustee respecting the amount of net bondable value of property additions; that such property additions, except such as have been retired, are desirable in the conduct of the business of the Company; that the distribution made by the signers of the cost or the fair value to the Company of any of such property additions is, in the opinion of the signers, proper; and that the bonded cost of bondable property not subject to an unfunded prior lien retired by the Company during the period since the last day of the period covered pursuant to paragraph (3) of this Subdivision (a) does not exceed the aggregate of (i) the balance of net bondable value of property additions stated pursuant to Paragraph (11) of this Subdivision (a), and (ii) the cost to the Company of the gross property additions not included in any certificate filed with the Trustee respecting the amount of net bondable value of property additions.

(13) That the allowances or charges, if any, for interest, taxes, engineering, legal expenses, superintendence, insurance, casualties and other items during construction,

included in the cost to the Company of such of the property additions described in the certificate as were constructed by or for the Company, are such as are permitted under the regulations, rules and orders, if any, with respect to such matters in force at the time of construction, of the Public Service Commission of Wisconsin or other public body or authority having jurisdiction or supervisory authority over the accounts of the Company, and are such as are, in the opinion of the signers, proper in respect of the particular property additions specified.

(14) That no expenditures are included in the certificate, which under the regulations, rules and orders, if any, with respect to such matters in force at the time, of the Public Service Commission of Wisconsin or other public body or authority having jurisdiction or supervisory authority over the accounts of the Company, or, if there are no such regulations, rules and orders in the opinion of the signers, are not properly chargeable to property and plant accounts.

(15) Whether any portion of the property additions described in the certificate is at the time subject to a prior lien, and, if so, the total amount of all prior lien bonds secured thereby and a brief statement of the nature and extent of the mortgage or other lien securing the same, and whether such prior lien is a funded prior lien, and, if not, specifying the amounts of prior lien bonds and cash which must be deposited with the Trustee or with a trustee or other holder of any prior lien securing such prior lien bonds or other prior lien bonds, in order to constitute such prior lien a funded prior lien; and whether any portion of such property additions is, at the time, subject to a judgment lien and, if so, a brief statement of the nature and extent of such judgment lien and what, if any, funds have been theretofore deposited with the Trustee on account of such judgment lien.

(16) That no portion of the property additions described in the certificate is subject to any mortgage, pledge or other lien prior to the lien of this Indenture, except the prior liens and judgment liens, if any, specified pursuant to Paragraph (15) above and permitted liens and, in the case of property additions to or upon leasehold estates, as permitted by this Indenture, the lien reserved by the lease for rent and for compliance by the Company with the terms of the lease; and that no portion of such property additions is subject to any easement or similar encumbrance except such as, in the opinion of the signers, does not impair the continued use of such property additions for the purposes for which they were acquired.

(17) That the terms used in the certificate which are defined in Article I are used as therein defined.

(b) In case any property additions are shown by the engineer's certificate provided for in Subdivision (a) of this Section 4 to consist of an acquired plant or system having a cost or fair value as shown by such certificate of Twenty-five thousand Dollars (\$25,000) or more, an independent engineer's certificate stating, in the opinion of the signer, the fair value to the Company of the gross property additions consisting of such acquired plant or system, except such as have been retired by the Company, determined as provided in Article I.

(c) In case any property additions are shown by the engineer's certificate provided for in Subdivision (a) of this Section 4 to have been acquired or paid for in whole or in part through the issue or delivery of shares of stock or other securities, an appraiser's certificate, stating the fair value in cash of such shares of stock or other securities at the time of the issue or delivery thereof in payment for such property additions.

(d) Such instruments of conveyance, transfer and assignment as, in the opinion of counsel, may be necessary to vest

in the Trustee to hold as a part of the mortgaged property all right, title and interest of the Company in and to the property additions described pursuant to Subdivision (a) (2) of this Section 4, or the opinion of counsel that no such instruments are necessary for such purpose.

(e) An opinion of counsel to the effect that

(1) The Company has, or upon delivery of the instruments of conveyance, transfer or assignment, if any, specified in such opinion will have, good title to any tracts or parcels of land other than leasehold estates mentioned or described in the engineer's certificate provided for in Subdivision (a) of this Section 4 (except such as have been retired), subject only to such defects therein as the Company may have power by appropriate legal proceedings to cure, or which, in the opinion of such counsel, are inconsequential, and to such liens and encumbrances as are referred to in Paragraph (6) below;

(2) If such property additions include any easements, rights-of-way or leases over private property for towers, poles, wires, conduits, or mains, or for transmission line or distribution line purposes, or rights, permits or licenses to use or appropriate water or to overflow the land of others by the erection of dams or otherwise, or transmission line or distribution line equipment or dams, sub-stations or other similar structures installed by the Company upon any such land, the Company is entitled to such right-of-way or easement or such leasehold interest or such right, permit or license, as the case may be, for an unlimited or indeterminate or indefinite period of time or for a period extending beyond the date of maturity of the additional Bonds applied for and also beyond the date of maturity of all Bonds then outstanding under this Indenture, or the Company has power under eminent domain or similar statutes to condemn and acquire such right-of-way or a right-of-way adjacent thereto, or to acquire rights, permits,

or licenses sufficient for its purposes to use or appropriate water or overflow said lands, as the case may be;

(3) If such property additions include any transmission line or distribution line equipment or dams, substations or other similar structures located or constructed on, over or under public highways or other public property, the Company has the lawful right under permits or franchises granted by a governmental body having jurisdiction in the premises or by the law of the state in which such property is located, to maintain and operate such equipment or structures for an unlimited, indeterminate or indefinite period of time or for the period, if any, specified in such permit or franchise or by law and that the terms of such permit or franchise or law do not contain any provisions giving to any public authority the right to take over such equipment or structures without the payment of fair consideration therefor;

(4) The Company has corporate power to own and operate such property additions;

(5) The nature and extent of the prior liens and judgment liens, if any, on such property additions are correctly stated in said engineer's certificates;

(6) The Indenture is, or upon the delivery of the instruments of conveyance, transfer or assignment or of prior lien bonds or certificates or payment of cash, if any, specified in such opinion will be, a lien upon all property additions of the Company described in the engineer's certificate filed with the Trustee pursuant to Subdivision (a) of this Section (except such as have been retired) free and clear of any mortgage or other lien prior to the lien of this Indenture except specified funded prior liens, if any, specified judgment liens, if any, permitted liens and, in the case of property additions to or upon leasehold estates, as permitted by this Indenture, the lien reserved by the lease for rent and for compliance with the terms of

the lease, and free and clear of any easements or similar encumbrances, except such as, in the opinion of such counsel, do not impair the continued use of such property additions for the purposes for which they were acquired.

(f) The prior lien bonds and cash in the amounts necessary in order to constitute any unfunded prior liens, specified in the engineer's certificate and opinion of counsel provided for in Subdivisions (a) and (e) of this Section 4, funded prior liens, or the certificate of the trustee or other holder of the prior lien securing such prior lien bonds or other prior lien bonds certifying to the deposit with it of such prior lien bonds or cash.

(g) An amount of cash equal to the aggregate of all judgment liens specified in said engineer's certificate and opinion of counsel, less the amount of all cash then held by the Trustee on account of such judgment liens, which shall be held and applied by the Trustee as part of the trust estate.

(h) The resolution, certificate, opinion of counsel and cash required by Section 3 of this Article III, except that, in case an application for the authentication and delivery of Bonds upon the basis of property additions subject to an unfunded prior lien, which simultaneously with the granting of such application will become a funded prior lien, is made at any time after a date two years prior to the date of maturity of the prior lien bonds secured by such prior lien, the Trustee shall authenticate and deliver such additional Bonds in an amount equal to the principal amount of all prior lien bonds secured by such prior lien outstanding immediately prior to its becoming a funded prior lien, without requiring the certificate provided for in Section 3(b) of this Article III, upon receipt by it of an officers' certificate stating, in substance, that all or substantially all of such additional Bonds, or the proceeds of the sale thereof, will be applied by the Company for the purpose of making such prior lien a funded prior lien or to the payment of indebtedness incurred by the Company for such purpose.

Section 4. Sections 7, 8, 10, 14 and 16 of Article IV of the Original Indenture are hereby amended so that Sections 7, 8, 10, 14 and 16 as amended, shall read as follows:

SECTION 7. That the Company will at all times make or cause to be made such expenditures by means of renewals, replacements, repairs, maintenance, or otherwise as shall be necessary to maintain, preserve and keep its bondable property at all times in good repair, physical condition, working order and condition and in a state of good operating efficiency, except that the Company may abandon any property if in the opinion of its Board of Directors the abandonment of such property is desirable in the proper conduct of its business and in the operation of its properties or is otherwise in its best interests.

SECTION 8. That

(a) At any and all times, upon the written request of the Trustee, the Company will permit the Trustee, by its agents and attorneys, to examine all the books of account, records, reports and other papers of the Company and to take copies and extracts therefrom.

(b) The Company will, so long as any Bonds are outstanding hereunder, file with the Trustee, within 15 days after it is required to file the same with the Securities and Exchange Commission, copies of the annual reports and of the information, documents and other reports which the Company may be required to file with the Securities and Exchange Commission pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 (or copies of such portions thereof as may be prescribed by the Securities and Exchange Commission under the Trust Indenture Act of 1939); or, if the Company is not required to file with the Securities and Exchange Commission information, documents or reports pursuant to either Section 13 or Section 15(d) of the Securities Exchange Act of 1934, then the Company will file with the Trustee and will file with the Securities and Exchange Commission such of the supplementary and periodic information,

documents and reports required pursuant to Section 13 of the Securities Exchange Act of 1934 in respect of a security listed and registered on a national securities exchange as an obligor having an indenture qualified under the provisions of the Trust Indenture Act of 1939 shall then be required to furnish to the trustee under said indenture and to file with said Commission by any rules and regulations prescribed by said Commission under the provisions of the Trust Indenture Act of 1939.

(c) The Company will, so long as any Bonds are outstanding hereunder, file with the Trustee and with the Securities and Exchange Commission in accordance with the rules and regulations prescribed from time to time by said Commission under the Trust Indenture Act of 1939, such additional information, documents and reports with respect to compliance by the Company with the conditions and covenants provided for in this Indenture as may be required by such rules and regulations, including, in the case of annual reports, if required by such rules and regulations, certificates or opinions of independent accountants, as to compliance with conditions or covenants, compliance with which is subject to verification by accountants, but no such certificate or opinion shall be required as to (a) dates or periods not covered by annual reports required to be filed by the Company, in the case of conditions precedent which depend upon a state of facts as of a date or dates or for a period or periods different from that required to be covered by such annual reports, or (b) the amount and value of property additions (other than certificates or opinions of engineers or appraisers as to the fair value to the Company of any property additions made the basis for the authentication and delivery of Bonds, the withdrawal of cash from the Trustee, or the release of any portion of the trust estate, which are required to be filed with the Trustee by the provisions of Section 3 (c) of Article XVIII), or (c) the adequacy of depreciation, maintenance or repairs.

(d) The Company will, so long as any Bonds are outstanding, transmit to the Bondholders, in the manner and to

the extent provided in Subdivision (c) of Section 10 of Article XIII, such summaries of any information, documents and reports required to be filed with the Trustee pursuant to the provisions of Subdivisions (b) and (c) of this Section 8 as may be required by the rules and regulations of the Securities and Exchange Commission under the Trust Indenture Act of 1939.

(e) The Company will, so long as any Bonds are outstanding hereunder, furnish or cause to be furnished to the Trustee, not less than forty-five (45) days, nor more than sixty (60) days, after June 1 and December 1 in each year beginning with December 1 in the year 1946, and at such other times as the Trustee may request in writing, a list or lists in such form as the Trustee may reasonably require containing all information in the possession or control of the Company or of any other obligor upon the Bonds, or in the possession or control of any paying agent for the Bonds obtained in the performance of its duties as such paying agent, as of a date not more than fifteen (15) days prior to the date on which such list or lists shall be furnished to the Trustee, as to the names and addresses of Bondholders, obtained since the date as of which the next previous list or lists, if any, were furnished. Neither the Company nor any paying agent shall be held accountable to any Bondholder by reason of the disclosure of any information as to the names and addresses of Bondholders in accordance with the provisions of this Section, regardless of the source from which such information was derived.

SECTION 10. That the Company will cause this Indenture and any and all supplemental indentures and instruments of further assurance at all times to be kept recorded and filed in such manner and in such places as may in the opinion of counsel be required by law in order fully to preserve and protect the rights of the Bondholders and the Trustee hereunder, and that it will furnish to the Trustee

(a) promptly after the execution and delivery of each indenture supplemental hereto, executed and delivered on or

after June 1, 1946, an opinion of counsel stating that in the opinion of such counsel such supplemental indenture has been properly recorded and filed so as to make effective the lien intended to be created thereby, if any, and reciting the details of such action, or stating that in the opinion of such counsel no such action is necessary to make such lien effective. The requirements of this Subsection (a) shall have been complied with if such opinion of counsel shall state that such supplemental indenture has been received for record or filing in each public office in which it is required to be recorded or filed and that in the opinion of such counsel such receipt for record or filing makes effective the lien intended to be created thereby, if any; and if such opinion of counsel is delivered to the Trustee within such time, following the date of the execution and delivery of such supplemental indenture, as shall be practicable, having due regard to the location and number of the public offices in which the same is required to be recorded or filed; and

(b) on or before June 1 of each year, beginning with the year 1947, an opinion of counsel either stating that in the opinion of such counsel such action has been taken with respect to the recording, filing, re-recording and re-filing of this Indenture and of each supplemental indenture as is necessary to maintain the lien thereof, and reciting the details of such action, or stating that in the opinion of such counsel no such action is necessary to maintain such lien.

SECTION 14. That the Company will not acquire, by purchase, merger or otherwise, any property subject to a lien or liens which will on acquisition be an unfunded prior lien or prior liens,

(a) if at the time of first acquisition by the Company of property subject to such lien or liens, the principal amount of outstanding indebtedness secured by such lien or liens shall exceed sixty per cent. (60%) of the lesser of the cost or the fair value to the Company of the property of the nature of property additions subject to such lien or liens; and

(b) unless the net earnings of such property available for interest (determined in the manner provided in Article I) for any twelve consecutive calendar months during the period of fifteen calendar months immediately preceding the first day of the month in which the first acquisition of property subject to such lien or liens occurs, shall have been in the aggregate equal to at least the greater of twice the amount of the annual interest charges on, or ten per cent. (10%) of the principal amount of, all outstanding indebtedness secured by such lien or liens.

That, in case the Company shall propose to acquire any property subject to such a lien, as permitted by this Section, it will prior to, or simultaneously with, the first acquisition of any such property file with the Trustee certificates with respect to such property of the nature prescribed by Paragraphs (2), (15), (16) and (17) of Section 4(a) of Article III and Subdivisions (b) and (c) of said Section 4 and Section 3(b) of Article III (except that the certificate of the nature prescribed by Section 3(b) of Article III shall refer only to the net earnings of such property and to the indebtedness secured by such liens to which such property is subject), and the opinion of the nature prescribed by paragraphs (1) to (5), both inclusive, of Section 4(e) of Article III.

SECTION 16. That the Company will not issue or permit to be issued, any prior lien bonds secured by any unfunded prior lien in addition to the prior lien bonds secured by such unfunded prior lien at the time of first acquisition by the Company of property subject thereto (other than in lieu of lost, stolen or mutilated bonds or on the exchange for bonds already outstanding of an equal principal amount of other bonds of the same issue and the same series, if any, and of the same maturity),

(a) except upon the basis of

(1) property additions subject to such unfunded prior lien or prior liens purchased, constructed or otherwise acquired by the Company after the time of the first

acquisition by the Company of property subject to such unfunded prior lien, and then only to the extent of sixty per cent. (60%) of the amount of net bondable value of such property additions;

(2) the deposit of cash with the trustee of such prior lien or with the Trustee in an amount equal to the principal amount of the prior lien bonds to be issued, which cash may thereafter be withdrawn only on the basis of (i) property additions purchased, constructed or otherwise acquired by the Company after the time of its first acquisition of any property subject to such unfunded prior lien, in an amount not exceeding sixty per cent. (60%) of the amount of the net bondable value of such property additions, or (ii) the cancellation of prior lien bonds secured by such prior lien in a principal amount equal to the amount of cash withdrawn; or

(3) an equal aggregate principal amount of prior lien bonds secured by such unfunded prior lien, or by another unfunded prior lien which constitutes a lien on all or part of the property subject to such unfunded prior lien prior to the lien thereof, and then or theretofore paid at maturity by the Company or redeemed or purchased by the Company (otherwise than out of funds included in the trust estate or similar funds held by the trustee or other holder of such prior lien or other prior lien) or otherwise cancelled; and

(b) unless the net earnings of the Company available for interest (determined as provided in Article I), for any twelve consecutive calendar months during the period of fifteen calendar months immediately preceding the first day of the month in which the additional prior lien bonds are to be issued, have been, in the aggregate, equal to not less than the greater of twice the amount of the annual interest charges on, or ten per cent. (10%) of the principal amount of, the indebtedness specified in subparagraphs (i), (ii) and (iii) of Subdivision (b) (1) of Section 3 of Article III;

provided that, if such application is upon the basis of payment at maturity of prior lien bonds theretofore sold or otherwise disposed of or the redemption or purchase thereof after a date two years prior to the date of their maturity, the provisions of this Subdivision (b) shall apply only to the extent set forth in Subdivision (cc) of this Section 16.

That, in case the Company shall propose to issue any additional prior lien bonds as permitted by this Section, it will, prior to the issue thereof, file with the Trustee

(aa) In the case of the issue of additional prior lien bonds as permitted by Subdivision (a) (1) of this Section, a certificate of the nature prescribed by Section 3(b) of Article III and certificates and opinion of the nature prescribed by Subdivisions (a), (b), (c) and (e) (1) to (5) both inclusive, of Section 4 of Article III (except that such certificates and opinion shall refer to the issue of additional prior lien bonds and to property additions subject to an unfunded prior lien, and except that paragraphs (3) to (11), both inclusive, of the certificate provided by Subdivision (a) of said Section 4 shall be omitted and in lieu thereof appropriate paragraphs shall be inserted relating to the deductions and computations required to be made by the definition of net bondable value of property additions subject to an unfunded prior lien contained in Article I), together with an opinion of counsel to the effect that the property additions made the basis for the issue of such additional prior lien bonds are subject to the prior lien securing the prior lien bonds prior to the lien hereof.

(bb) In the case of the issue of additional prior lien bonds as permitted by Subdivision (a) (2) of this Section, the certificate of the nature prescribed by Section 3(b) of Article III, except that such certificate shall refer to the issue of additional prior lien bonds rather than additional Bonds, together with evidence satisfactory to the Trustee that cash deposited may be withdrawn only on the basis permitted in Subdivision (a) (2) of this Section.

(cc) In the case of the issue of additional prior lien bonds as permitted by Subdivision (a) (3) of this Section, an officers' certificate stating in substance that no part of the prior lien bonds made the basis for the issue of the additional prior lien bonds have theretofore been made the basis for the issue of additional prior lien bonds or for the release of property or for the payment by the trustee or other holder of the prior lien securing such prior lien bonds of any cash held by it as security for such prior lien bonds and that no part of such prior lien bonds have been purchased, redeemed or paid out of any such cash, and a certificate of the nature prescribed by Section 3(b) of Article III, except that such certificate shall refer to the issue of additional prior lien bonds rather than additional Bonds, provided that, if the issue of additional prior lien bonds is made on the basis of the payment at maturity of outstanding prior lien bonds theretofore sold or otherwise disposed of or the redemption or purchase thereof after a date two years prior to the date of their maturity, such additional prior lien bonds may be authenticated and delivered in an amount equal to the principal amount of all prior lien bonds thus paid, purchased or redeemed without requiring such earnings certificate, upon receipt by the Trustee of an officers' certificate stating in substance that all or substantially all of such additional prior lien bonds, or the proceeds of the sale thereof, will be applied by the Company for the purpose of purchasing, paying or redeeming said outstanding prior lien bonds or for paying indebtedness incurred by the Company for such purpose, and agreeing in the case of the sale of such additional prior lien bonds that the proceeds thereof shall be forthwith upon receipt thereof deposited with the Trustee or with the trustee or other holder of the prior lien securing said outstanding prior lien bonds, in trust for the purpose of paying said outstanding prior lien bonds or stating that other moneys have been deposited or paid for such purpose.

Section 5. The Original Indenture is hereby supplemented by adding at the end of Section 22 of Article IV the following new Section 23, and is amended by renumbering Section 23 of Article IV as Section 24:

SECTION 23. That the Company will cause any paying agent other than the Trustee which it may appoint to execute and deliver to the Trustee an instrument in which such agent shall agree with the Trustee, subject to the provisions of this Section,

(1) that it shall hold all sums held by it as such agent for the payment of principal of and premium, if any, or interest on any of the Bonds in trust for the benefit of the holders of such Bonds or of the coupons for such interest, as the case may be; and

(2) that it shall give the Trustee notice of any failure of the Company or any other obligor upon the Bonds to make any payment of the principal of and premium, if any, or interest on the Bonds when the same shall be due and payable.

The Company covenants and agrees that, if it should at any time act as its own paying agent, it will, on or before each due date of the principal of, and premium, if any, or interest on any of the Bonds, set aside and segregate and hold in trust for the benefit of the holders of such Bonds or of the coupons for such interest, as the case may be, a sum sufficient to pay such principal and premium, if any, or interest so becoming due, and will notify the Trustee of any failure to take such action.

Anything in this Section to the contrary notwithstanding, the Company may at any time, for the purposes of obtaining the satisfaction and discharge of this Indenture or for any other reason, pay or cause to be paid to the Trustee all sums held in trust by it or any paying agent as required by this Section, such sums to be held by the Trustee upon the trusts herein contained.

Section 6. Sections 1 and 2 of Article V of the Original Indenture are hereby amended so that said Sections 1 and 2, as amended, shall read as follows:

SECTION 1. With respect to any particular series of Bonds, the Company may reserve the right to redeem and pay off before maturity all or any part of the Bonds of such series at such time or times, and from time to time, and on such terms, as the Board

of Directors may determine and as shall be expressed in the Bonds of such series.

In case the Company shall desire to exercise such right to redeem and pay off all, or, as the case may be, any part of the Bonds, in accordance with the right reserved so to do, it shall give, in the manner provided in the supplemental indenture creating the Bonds of such series, a notice or notices to the effect that the Company has elected to redeem all the Bonds or all the Bonds of a particular series or a part thereof, as the case may be, on a date therein designated, specifying, in the case of redemption of less than all series, the serial designation of the Bonds to be redeemed, and, in the case of partial redemption of any series, the distinctive numbers of the Bonds to be redeemed (to be stated in any one or more of the following ways—individually, in groups from one number to another inclusive, in groups from one number to another inclusive except such as shall have been previously called for redemption or otherwise retired, or in groups consisting of coupon Bonds bearing, or in the case of registered Bonds without coupons having reserved therefor and endorsed thereon, numbers ending in the same digit or the same last two digits), and in every case stating that on said date there will become and be due and payable upon each Bond so to be redeemed, at the agency of the Company in such city or cities, if any, at which the principal of the Bonds so to be redeemed is payable, the full principal thereof in the case of coupon Bonds and the specified amount of the principal thereof in the case of registered Bonds without coupons, together with the accrued interest to such date, with such premium, if any, as is specified in such Bonds, and that from and after such date interest thereon will cease to accrue. If notice by publication, if required, is duly given, failure to give notice by mail, if required, with respect to such redemption or any defect therein or in the mailing thereof shall not affect the validity of the proceedings for the redemption of any Bonds so to be redeemed.

In case the Company desires to redeem and pay off less than all the outstanding Bonds of any series, it shall, in each such instance, notify the Trustee in writing of its desire so to do and

of the aggregate principal amount of the Bonds of such series to be redeemed, and thereupon the particular Bonds to be redeemed shall be selected by the Trustee by lot, and the Trustee shall thereupon notify the Company in writing of the numbers of the coupon Bonds and the numbers and portions of registered Bonds without coupons so selected. The Bonds may be drawn by lot individually or, in the discretion of the Trustee, in groups of Bonds consecutively numbered (either including or excluding for the purpose of such grouping the numbers of Bonds previously called for redemption or otherwise retired), or in groups of Bonds consisting of all Bonds bearing or, in the case of registered Bonds without coupons, having reserved therefor or assigned thereto numbers ending with the same digit or the same last two digits, or in such other manner as the Trustee may deem proper. If the Trustee shall not theretofore have reserved appropriate serial numbers of coupon Bonds issuable in exchange for registered Bonds without coupons, the Trustee may, for the purpose of such drawing, assign appropriate serial coupon Bond numbers to all outstanding registered Bonds without coupons, and in such event registered Bonds without coupons shall be deemed to have been drawn by lot if and to the extent that the serial numbers of the coupon Bonds reserved therefor or assigned thereto are drawn as aforesaid.

SECTION 2. The Bonds designated for redemption or the specified portions thereof shall become due and payable upon the date specified in the notice provided for in Section 1 of this Article as the redemption date at the applicable redemption price at the time. Payment of the redemption price shall be made to the respective bearers of the Bonds designated for redemption, or, if any such Bonds be registered Bonds without coupons or coupon Bonds registered as to principal, to the respective registered owners thereof, upon surrender of such Bonds, at the place stated in the notice of redemption, together with all unmatured coupons appertaining thereto. If there shall be drawn for redemption a portion of the principal amount but less than the entire principal amount of any registered Bond without coupons, at the option of the holder of such registered Bond without cou-

pons so to be redeemed in part, either (a) such registered Bond without coupons may be surrendered to the Trustee by such holder, in which event the Company shall execute and the Trustee shall authenticate and deliver to or upon the written order of such holder, at the expense of the Company, a new registered Bond without coupons or new coupon Bonds of authorized denominations of an aggregate principal amount equal to the unredeemed portion of the registered Bond without coupons so surrendered; or (b) such registered Bond without coupons may be presented to the Trustee by such holder for notation thereon by endorsement thereon that the specified principal amount thereof so redeemed has been duly paid, and payment of the redemption price with respect to the redeemed portion of said registered Bond without coupons shall be made upon the endorsement thereon of the fact that such part payment has been made. On and after the date fixed for redemption, interest shall be payable only on the portion of said registered Bond without coupons not so called for redemption.

Section 7. Section 5 of Article VI of the Original Indenture is hereby amended, so that said Section 5, as amended, shall read as follows:

SECTION 5. All purchase money obligations and all bonds or other obligations issued by a municipality or other governmental subdivision which shall be received by the Trustee pursuant to Section 3 of Article VII shall be held as a part of the trust estate. Interest received by the Trustee on such obligations shall, so long as the Company is not in default hereunder, be paid over to the Company. All moneys received by the Trustee as principal of such obligations shall be applied by the Trustee as a part of the trust estate. Such obligations held by the Trustee may be released pursuant to Section 3 of Article VII.

Section 8. Sections 2, 5 and 8 of Article VII of the Original Indenture are hereby amended, so that said Sections 2, 5 and 8, as amended, shall read as follows:

SECTION 2. The Company may at any time and from time to time, without notice to or any release or consent by the Trustee:

(a) Sell or otherwise dispose of, free from the lien of this Indenture, any machinery or equipment, which has become worn out, unserviceable, undesirable or unnecessary for use in the conduct of its business, upon replacing the same with, or substituting for the same, new machinery or equipment, or other property of a value at least equal to the original cost of such things so disposed of, which new machinery, equipment or other property shall without further action become subject to the lien of this Indenture;

(b) Abandon any property, if in the opinion of the Board of Directors the abandonment of such property is desirable in the proper conduct of the business and in the operation of the properties of the Company, or is otherwise in the best interests of the Company;

(c) Surrender or assent to the modification of any franchise, license, authority or permit which it may hold, or under which it may be operating, provided that the Company shall have the right, in the opinion of counsel, under the modified franchise, license, authority or permit, or under a new franchise, license, authority or permit received in exchange in the event of any such surrender, or under some other franchise, license, authority or permit, to conduct the same or an extended business in the same or an extended territory during the same or an extended or unlimited or indeterminate or indefinite period of time. For the purposes of this Subdivision (c) and of any opinion to be rendered under it, any right of any municipality to terminate a permit, license or franchise by purchase, shall not be deemed to abridge or affect its duration;

(d) Modify or amend any lease which shall be a part of the trust estate provided that the Company shall forthwith assign to and mortgage with the Trustee the modified or amended lease, and provided further that if the lease so modified or amended shall have been theretofore made the basis

for the issue of additional Bonds or the withdrawal of cash or the reduction of cash under any provision of this Indenture, the modified or amended lease shall comply with the requirements of Subdivision (d) of the definition of property additions contained in Article I;

(c) Surrender or assent to or procure a modification of any franchise, license, authority or permit under which it operates any of its properties, which it may now or hereafter hold or under which it may now or hereafter operate, if in the opinion of the Board of Directors, it is no longer necessary or desirable in the profitable conduct of the Company's business or in the best interests of the Company to operate such properties or to comply with the terms and provisions of such franchise, license, authority or permit and, if the value and utility generally of all of its properties as an entirety and the value of the security for the Bonds will not thereby be impaired;

(f) Sell, surrender, release, abandon or otherwise dispose of, either with or without consideration, any easements, rights-of-way or leases over private property for towers, poles, wires, conduits or mains, or for transmission line or distribution line purposes, if such towers, poles, wires, conduits or mains, or such transmission or distribution lines, have theretofore been sold by the Company or removed by the Company to other property in accordance with the provisions of Section 1 of this Article VII or taken by any municipality or other governmental subdivision by the exercise of a power of eminent domain or right of purchase; provided, however, that the consideration, if any, received by the Company on any such sale, release, surrender or other disposition shall be paid over to the Trustee to be held and applied as a part of the trust estate; and

(g) Grant to any public utility, electric, telephone or other cooperative association, governmental authority, municipality or other governmental subdivision, either with or without consideration, easements, rights-of-way, water rights

or flowage rights, for fixed periods of time or in perpetuity, over or with respect to any of the real property constituting part of the trust estate, if the granting of such easements, rights-of-way, water rights or flowage rights does not impair the continued use and enjoyment by the Company of the real property over or in respect of which such easements, rights-of-way, water rights or flowage rights are granted for the purposes for which such property is used by the Company.

No sale, abandonment, surrender, grant or other disposition of property of the Company authorized by this Section shall be deemed to constitute a release of property from the lien of this Indenture within the meaning of Subdivision (a) of Section 3 of Article XVIII.

SECTION 5. Should any part of the trust estate be taken by the exercise of a power of eminent domain or should any municipality or other governmental subdivision at any time exercise any right which it may have to purchase any part of the trust estate, the Trustee may accept any award therefor, if approved by the Company, as representing its full value, and, at the request of the Company evidenced by a certified resolution, shall execute and deliver a release of property so taken or purchased and, subject to the provisions of Sections 1 and 2 of Article XIII, shall be fully protected in so doing upon being furnished with an opinion of counsel to the effect that such property has been taken by the exercise of a power of eminent domain or purchased by a municipality or other governmental subdivision in the exercise of a right which it had to purchase the same. In any such proceedings the Trustee may be represented by counsel, who may or may not be of counsel to the Company. The proceeds of all property so taken or purchased shall be paid over to the Trustee hereunder to be held and applied as a part of the trust estate, and to any trustee or other holder of any prior lien, as their respective interests may appear.

SECTION 8. The Trustee shall not be required under any of the provisions of this Article VII to release any part of the mortgaged property from the lien hereof at any time when the Company shall be in default hereunder, but notwithstanding any such default the Trustee may release from the lien hereof any part of the mortgaged property, upon compliance by the Company with the other conditions specified in this Article VII in respect thereof, if, subject to the provisions of Sections 1 and 2 of Article XIII, the Trustee in its discretion shall deem such release for the best interest of the Bondholders. In case the trust estate shall be in the possession of one or more receivers lawfully appointed or of a trustee in bankruptcy or reorganization proceedings (including a trustee or trustees appointed under the provisions of Chapter X of an Act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, as amended) or of assignees for the benefit of creditors, the powers by this Article VII conferred upon the Company may be exercised by such receivers, trustees or assignees, with the approval of the Trustee, regardless of whether or not the Company is in default hereunder, and in such event a writing signed by such receivers, trustees or assignees, may be received by the Trustee in lieu of any certified resolution required by the provisions of this Article, and such receivers, trustees or assignees may make any certificate required by the provisions of this Article to be made by an officer or officers of the Company; provided, however, that so long as the trust estate shall be in the possession of any such receiver, trustee or assignee, no reduction shall be made in the amount of cash required to be deposited upon any release on the basis of refundable Bonds. If the Trustee hereunder shall be in possession of the trust estate under any provision of this Indenture, then all such powers by this Article VII conferred upon the Company may be exercised by the Trustee in its discretion.

Section 9. Paragraph (5) of Section 1 (b) and Sections 3, 5 and 11 of Article VIII of the Original Indenture are hereby amended so that said Paragraph (5) and said Sections 3, 5 and 11, as amended, shall read as follows:

SECTION 1 (b),

(5) The facts with respect to such property additions specified in Paragraphs (13), (14), (15), (16) and (17) of Section 4(a) of Article III.

SECTION 3. Any moneys received by the Trustee pursuant to Section 5(a) of Article III shall be paid over from time to time by the Trustee to or upon the order of the Treasurer or an Assistant Treasurer of the Company, either:

(a) In an amount equal to sixty per cent. (60%) of the net bondable value of property additions not subject to an unfunded prior lien, but only upon receipt by the Trustee of:

(1) A certified resolution authorizing the application for withdrawal from the trust estate of cash in the amount therein specified; and

(2) The certificates, instruments, opinions, prior lien bonds and cash prescribed in Subdivisions (a) to (g), both inclusive, of Section 4 of Article III;

or

(b) In an amount equal to the aggregate principal amount of refundable Bonds, but only upon receipt by the Trustee of:

(1) A certified resolution authorizing the application for withdrawal from the trust estate of cash in the amount therein specified; and

(2) An officers' certificate setting forth the same facts as are required to be stated pursuant to Paragraphs (1), (2), (3) and (4) of Section 6(a) of Article III, except that such certificate shall refer to the withdrawal of cash rather than to the authentication and delivery of additional Bonds.

SECTION 5. Any moneys received by the Trustee pursuant to Section 5 of Article VI or Sections 3, 4 or 5 of Article VII, which shall not have been paid over to the Company pursuant to other

provisions of this Article VIII, shall, at the request of the Company, be credited from time to time to the Company on account of any sinking, improvement, maintenance or analogous fund payment or payments in cash required to be made by the Company, unless the provisions of the supplemental indenture by which such fund is established do not permit such credit or use of such moneys; any Bonds purchased or redeemed pursuant to Section 8 of this Article VIII through the application of moneys received by the Trustee pursuant to Section 5 of Article VI or Sections 3, 4 or 5 of Article VII shall, at the request of the Company, be credited from time to time to the Company on account of any sinking, improvement, maintenance or analogous fund payment or payments required to be made by the Company which permit the crediting of Bonds purchased or redeemed by the Company to such payment, unless the provisions of the supplemental indenture by which such fund is established do not permit the credit of Bonds purchased or redeemed with such moneys; in either of said cases the cash so credited and Bonds so purchased or redeemed shall be applied by the Trustee at the same time, to the same extent and in the same manner as if such payments had been made in cash or such Bonds had been delivered or redeemed by the Company pursuant to the provisions of such sinking, improvement, maintenance or analogous fund in discharge or partial discharge of such sinking, improvement, maintenance or analogous fund payments, but only upon receipt by the Trustee of an officers' certificate requesting such credit and application and specifying the sinking, improvement, maintenance or analogous fund payment in respect of which the moneys and Bonds shall be so credited, delivered and applied.

SECTION 11. Except as otherwise expressly permitted by this Section 11, no cash held by the Trustee as a part of the trust estate shall be paid over to the Company or applied to the purchase or redemption of Bonds pursuant to this Article VIII, if the Company is in default hereunder; and the Company shall furnish to the Trustee, in connection with each application pursuant to this Article VIII, an officers' certificate stating that the Company

is not, and by the making or granting of the application will not be, in default in the performance of any of the terms or covenants of this Indenture. In case the trust estate shall be in the possession of one or more receivers lawfully appointed or of a trustee in bankruptcy or reorganization proceedings (including a trustee or trustees appointed under the provisions of Chapter X of an Act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, as amended) or of assignees for the benefit of creditors, the powers by this Article VIII conferred upon the Company with respect to the withdrawal of moneys on the basis of property additions, and with respect to the application of moneys held by the Trustee on account of judgment liens or prior lien bonds to the payment, cancellation and discharge of the respective judgment liens or prior liens with respect to which such moneys were deposited, may be exercised by such receivers, trustees or assignees, with the approval of the Trustee, regardless of whether or not the Company is in default hereunder, and in such event a writing signed by such receivers, trustees or assignees, may be received by the Trustee in lieu of any certified resolution required by the provisions of this Article, and such receivers, trustees or assignees may make any certificate required by this Article to be made by an officer or officers of the Company. If the Trustee hereunder shall be in possession of the trust estate under any provision of this Indenture, then all such powers by this Article conferred upon the Company may be exercised by the Trustee in its discretion.

Section 10. Sections 1, 4, 8, 11, 12, 14, 15 and 17 of Article IX of the Original Indenture are hereby amended so that said Sections 1, 4, 8, 11, 12, 14, 15 and 17, as amended, shall read as follows:

SECTION 1. In case any one or more of the following events (herein called "events of default") shall happen and be continuing, that is to say:

(a) Default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable whether at maturity or otherwise;

(b) Default shall be made in the due and punctual payment of any installment of interest on any Bond or in the due and punctual payment or satisfaction of the Company's obligation respecting any sinking, improvement, maintenance or analogous fund, when and as such interest installment or sinking, improvement, maintenance or analogous fund obligation, as the case may be, shall become due and payable as in such Bond or in this Indenture or any indenture supplemental hereto expressed, and such default shall continue for a period of thirty days;

(c) Default shall be made by the Company in the performance or observance of any other of the covenants, agreements or conditions on its part in this Indenture, or any indenture supplemental hereto or in the Bonds contained, and such default shall continue for a period of sixty days after written notice to the Company by the Trustee or by not less than fifteen per cent. (15%) of the Bondholders;

(d) Default shall be made in the due and punctual payment of the principal of any of the prior lien bonds, when and as the same shall become due and payable, either at maturity thereof, by declaration or otherwise, or default shall be made in the due and punctual payment of any installment of interest on any prior lien bonds when and as the same shall become due and payable and such default shall continue beyond the period of grace, if any, specified in the prior lien securing said prior lien bonds;

(e) If the Company shall (1) admit in writing its inability to pay its debts generally as they become due, (2) file a petition in bankruptcy, (3) make an assignment for the benefit of its creditors, (4) consent to the appointment of a receiver of itself or of the whole or any substantial part of the trust estate, or (5) on a petition in bankruptcy filed against the Company, be adjudicated a bankrupt;

(f) If an order, judgment or decree shall be entered by any court of competent jurisdiction appointing, without the

consent of the Company, a receiver of the Company or of the whole or any substantial part of the trust estate, and such order, judgment or decree shall not be vacated or set aside or stayed within ninety days from the date of such appointment;

(g) If the Company shall (1) file a petition under the provisions of Chapter X of an Act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, as amended, or (2) file an answer seeking the relief provided in said Chapter X;

(h) If a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against the Company under the provisions of said Chapter X, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of the entry of such order, judgment or decree;

(i) If, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Company or of the whole or any substantial part of the trust estate, and such custody or control shall not be terminated within sixty days from the date of assumption of such custody or control;

(j) If a final judgment for the payment of money in excess of One hundred thousand Dollars shall be rendered against the Company and the Company shall not discharge the same or provide for its discharge in accordance with its terms within thirty days from the date of entry thereof, or shall not within thirty days from the date of the entry thereof, or such longer period during which execution on such judgment shall have been stayed, appeal therefrom or from the order, decree or process upon which or pursuant to which said judgment shall have been granted, passed or entered and cause the execution thereof to be stayed during such appeal, or if on such appeal said order, decree or process shall be affirmed and the Company shall not discharge said judgment or provide for its discharge in accordance with its terms within thirty days after the entry of the order or decree of affirmance; or

(k) If the corporate franchise of the Company shall terminate by operation of law and substantially all of the properties and assets of the Company shall not theretofore or within 120 days thereafter have been transferred to a successor corporation upon the terms and provisions set forth in **Article XII**;

then, and in each and every such case, either the Trustee or not less than twenty-five per cent. (25%) of the Bondholders may declare the principal amount of all Bonds, if not already due and payable, to be immediately due and payable; and upon any such declaration all Bonds shall become and be immediately due and payable, anything in this Indenture or in any of the Bonds contained to the contrary notwithstanding. Any such declaration by the Trustee may be made by notice in writing by the Trustee to the Company, and any such declaration by not less than twenty-five per cent. (25%) of the Bondholders may be made by notice in writing by such Bondholders to the Company and to the Trustee. The right of the Trustee or of not less than twenty-five per cent. (25%) of the Bondholders to make any such declaration as aforesaid, however, is subject to the condition that, if at any time after the principal of the Bonds shall have been so declared due and payable and prior to the date of maturity thereof as stated in the Bonds and before any sale of the trust estate shall have been made, all arrears of interest upon all such Bonds (with interest at the rate specified in such Bonds on any overdue installment of interest) and the expenses of the Trustee, its agents and attorneys shall either be paid by the Company or be collected and paid out of the trust estate, and all defaults as aforesaid (other than the payment of principal which has been so declared due and payable) shall have been made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, then, and in every such case, a majority of the Bondholders may, on behalf of all of the Bondholders, waive such default and its consequences and rescind such declaration (whether such declaration shall have been made by the Trustee or by not less than twenty-five per cent.

(25%) of the Bondholders, as aforesaid); but no such waiver shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

SECTION 4. If an event of default shall happen and be continuing, then, and in every such case, the Trustee may in its discretion, and shall, at the request in writing of not less than a majority of the Bondholders, proceed by suit or suits at law or in equity or by any other appropriate remedy to enforce payment of the Bonds and to foreclose this mortgage and to sell the trust estate under a judgment or decree of a court or courts of competent jurisdiction, or by the enforcement of any other appropriate legal or equitable remedy as the Trustee shall deem most effectual to protect and enforce any of its rights or any of the rights of the Bondholders.

SECTION 8. In case

(a) default shall be made in the payment of any instalment of interest on any Bond, when and as the same shall become due and payable, and such default shall have continued for a period of thirty days; or

(b) default shall be made in the payment of the principal of any Bond, when the same shall have become due and payable, whether at maturity thereof or by declaration as authorized in Section 1 of this Article, or upon a sale as provided in Section 5 of this Article, or otherwise;

then, upon demand of the Trustee, the Company or any other obligor upon the Bonds will pay to the Trustee, for the benefit of the holders of the Bonds and coupons, the whole amount then due and payable on all such Bonds and coupons, for interest or principal, or both, as the case may be, with interest at the rate specified in such Bonds upon the overdue principal and the overdue instalments of interest, and, in case the Company or such other obligor shall fail to pay the same forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust,

shall be entitled to recover judgment against the Company or such other obligor for the whole amount so due and unpaid.

The Trustee shall, if permitted by law, be entitled to recover judgment as aforesaid either before or after or during the pendency of any proceedings for the enforcement of the lien of this Indenture upon the trust estate, and in the case of a sale of the trust estate and of the application of the proceeds of sale to the payment of the indebtedness hereby secured, the Trustee, in its own name and as trustee of an express trust, shall be entitled to enforce payment of and to receive all amounts then remaining due and unpaid upon any and all of the Bonds and coupons, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of the indebtedness remaining unpaid, with interest, as aforesaid. No recovery of any such judgment by the Trustee, and no levy of any execution under any such judgment upon the trust estate or any part thereof, or upon any other property, shall in any manner or to any extent affect the lien of this Indenture upon the trust estate or any part thereof, or any rights, powers or remedies of the Trustee hereunder, or any lien, rights, powers or remedies of the holders of the Bonds, but such lien, rights, powers and remedies shall continue unimpaired as before.

Any moneys collected by the Trustee under this Section shall be applied by the Trustee towards payment of the amounts then due and unpaid upon such Bonds and coupons in respect whereof such moneys shall have been collected, ratably and without any preference or priority of any kind (except as provided in Section 2 of Article IV), according to the amounts due and payable upon such Bonds and coupons, respectively, at the date fixed by the Trustee for the distribution of such moneys, upon presentation of the several Bonds and coupons and stamping such payment thereon, if partly paid, and upon surrender and cancellation thereof, if fully paid.

SECTION 11. A majority of the Bondholders shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting any

proceeding for any remedy open to the Trustee, and of exercising any power or trust conferred upon the Trustee under this Indenture.

SECTION 12. No holder of any Bond or coupon shall have the right to institute any suit, action or proceeding in equity or at law for the foreclosure of this Indenture, or for the execution of any trust or power hereof, or for the appointment of a receiver, or for the enforcement of any other remedy under or upon this Indenture, unless such holder previously shall have given to the Trustee written notice of some existing default and of the continuance thereof, nor unless also, twenty-five per cent. (25%) of the Bondholders shall have made written request upon the Trustee and shall have afforded to it a reasonable opportunity, either to proceed to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name, nor, unless, also, such holder or holders shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared, in every such case, at the option of the Trustee, to be conditions precedent to any action or cause of action by such holder or holders for the execution of the powers and trusts of this Indenture for foreclosure or for the appointment of a receiver, or for any other remedy hereunder; it being understood and intended that no one or more holders of Bonds or coupons shall have any right in any manner whatever hereunder or under the Bonds or coupons by his or their action to affect, disturb or prejudice the lien of this Indenture or to enforce any right hereunder, except in the manner herein provided, and that all proceedings hereunder, at law or in equity, shall be instituted, had and maintained in the manner herein provided and for the ratable benefit of all holders of such Bonds and coupons. Nothing herein contained shall, however, affect or impair the right of any Bondholder, which is absolute and unconditional, to enforce the payment of the principal and interest of his Bonds at and after the

maturity of such principal or interest, or the obligation of the Company, which is also absolute and unconditional, to pay the principal of and interest on each of the Bonds to the respective holders thereof at the time and place in the Bonds and coupons expressed.

Anything to the contrary notwithstanding contained in this Section 12, the parties to this Indenture and the Bondholders agree that the court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; provided, however, that the provisions of this paragraph shall not apply to any suit instituted, directly or through an agent or agents, by the Trustee, to any suit instituted by any Bondholder, or group of Bondholders, holding in the aggregate more than ten per cent. (10%) in principal amount of the Bonds outstanding or to any suit instituted by any Bondholder for the enforcement of the payment of the principal of or interest on his Bonds at and after the maturity of such principal or interest as expressed in such Bonds.

SECTION 14. All rights of action under this Indenture, or under any of the Bonds, enforceable by the Trustee, may be enforced by the Trustee without the possession of any of such Bonds or the coupons thereunto belonging, or the production thereof on the trial or other proceedings relative thereto, and any such suit or proceedings instituted by the Trustee shall be brought in its own name, as trustee of an express trust, for the ratable benefit of the holders of the Bonds and coupons, subject to the provisions of this Indenture.

SECTION 15. The Trustee shall be entitled and empowered, either in its own name or as trustee or an express trust, or as attorney-in-fact for the holders of the Bonds and the holders of

the coupons, or in any one or more of such capacities, to file such proof of debt, amendment of proof of debt, claim, petition or other document as may be necessary or advisable in order to have the claims of the Trustee and of the holders of the Bonds and of the coupons allowed in any equity receivership, insolvency, bankruptcy, liquidation, readjustment, reorganization or other similar proceedings relative to the Company or any other obligor upon the Bonds or its or their creditors or affecting its or their property. The Trustee is hereby irrevocably appointed (and the successive respective holders of the Bonds and of the coupons by taking and holding the same shall be conclusively deemed to have so appointed the Trustee) the true and lawful attorney-in-fact of the respective holders of the Bonds and of the coupons, with authority to make and file in the respective names of the holders of the Bonds or of the coupons, or on behalf of the holders of the Bonds or of the coupons as a class, subject to deduction from any such claims of the amounts of any claims filed by any of the holders of the Bonds or of the coupons themselves, any proof of debt, amendment of proof of debt, claims, petition or other documents in any such proceedings and to receive payment of any sums becoming distributable on account thereof, and to execute any other papers and documents and to do and perform any and all acts and things for and on behalf of such holders of the Bonds and of the coupons, as may be necessary or advisable in the opinion of the Trustee in order to have the respective claims of the Trustee and of the holders of the Bonds and of the coupons against the Company or such other obligor or its or their property allowed in any such proceeding, and to receive payment of or on account of such claims; provided, however, that nothing contained in this Indenture shall be deemed to give to the Trustee any right to accept or consent to any plan of reorganization or otherwise by action of any character in any such proceeding to waive or change in any way any right of any Bondholder.

SECTION 17. No Bonds owned or held by, for the account of or for the benefit of, the Company (other than Bonds pledged to secure any obligation) shall be deemed entitled to share in any payment or distribution provided for in this Article IX.

Section 11. Article XII of the Original Indenture is hereby amended so that said Article XII, as amended, shall read as follows:

ARTICLE XII.

CONSOLIDATION, MERGER AND SALE.

SECTION 1. Nothing in this Indenture contained, or in any Bond secured hereby, shall prevent the consolidation with the Company or the merger into the Company of any other corporation or prevent any merger of the Company into any other corporation or prevent the sale or lease to any other corporation by the Company of all or substantially all of its property as an entirety (including a sale in connection with the liquidation of the Company) upon the terms hereinafter set forth; provided that:

(a) any such consolidation or merger or sale or lease shall be on such terms as not to impair the lien and security of this Indenture upon any part of the trust estate or any of the rights and powers of the Trustee or of the holders of the Bonds;

(b) in case of any such consolidation, merger into another corporation or sale:

(1) the principal amount of indebtedness which is outstanding immediately after such consolidation, merger or sale and which will be secured by a lien or liens on the properties of such other corporation, which lien or liens will not be either junior to the lien of this Indenture or constitute funded prior liens, shall not exceed sixty per cent. (60%) of the fair value of the property of the nature of property additions then owned by such other corporation, without limitation as to the date of acquisition as stated in an independent engineer's certificate to be filed with the Trustee prior to or simultaneously with such consolidation, merger or sale, or the cost to such other corporation of such properties, if such cost is lower; and

(2) the net earnings of such other corporation available for interest (determined in the manner provided in Article I)

for any twelve consecutive calendar months during the period of fifteen calendar months immediately preceding the first day of the month in which such consolidation, merger or sale is to be made, shall have amounted in the aggregate to at least the greater of twice the amount of the annual interest charges on, or ten per cent. (10%) of the principal amount of, (i) all indebtedness secured by such liens on the properties of such other corporation which will be outstanding immediately after such consolidation, merger or sale, and (ii) all other indebtedness of such other corporation maturing more than one year from the date of creation thereof which will be outstanding immediately after such consolidation, merger or sale, in case such other corporation shall not, simultaneously with such consolidation, merger or sale, execute and deliver to the Trustee and cause to be recorded a supplemental indenture subjecting to the lien of the Indenture all property and franchises then owned and which may thereafter be acquired by such successor corporation (other than property of the character described in the granting clauses hereof as excepted property) ;

(c) upon any such consolidation, merger or sale, the due and punctual payment of the principal and interest of all Bonds at the time outstanding, according to their tenor, and, subject to the provisions of Section 3 of this Article, the due and punctual performance and observance of all the covenants and conditions of this Indenture shall, by supplemental indenture and as a condition of any such consolidation or merger or as a consideration for any such sale, be expressly assumed by the successor corporation formed by or resulting from any such merger or consolidation or to which such sale shall have been made; and

(d) any such lease shall be made expressly subject to immediate termination by the Trustee at any time when any event of default, as specified in Section 1 of Article IX, shall have happened and be continuing, and also by the purchaser of the property so leased at any sale thereof hereunder,

whether such sale be made under the power of sale hereby conferred or under judicial proceedings.

SECTION 2. Every successor corporation resulting from a consolidation of the Company with another corporation or a merger of the Company into another corporation or the sale by the Company of all or substantially all of its property as an entirety to another corporation, all on the terms set forth in Section 1 of this Article XII, shall upon executing, acknowledging and delivering to the Trustee, and causing to be recorded and filed, as required by Section 10 of Article IV, an indenture supplemental hereto, as provided in Section 1 of this Article, in form satisfactory to the Trustee, succeed to and be substituted for the Company with the same effect as if it had been named herein as the party of the first part. Such successor corporation may thereupon cause to be signed, either in its own name or in the name of the Company, with such suitable reference, if any, to such consolidation, merger or sale as may be required by the Trustee, any or all of the Bonds which shall not theretofore have been signed by the Company and authenticated by the Trustee; and upon the written order of such successor corporation in lieu of the Company, and subject to the terms, conditions and restrictions herein prescribed with respect to the authentication and delivery of Bonds, the Trustee shall authenticate and deliver any and all Bonds which shall have been previously signed by the proper officers of the Company and delivered to the Trustee for authentication and any of such Bonds which such successor corporation shall thereafter, in accordance with the provisions of this Indenture, cause to be signed and delivered to the Trustee for that purpose. As a condition precedent to the execution by any such successor corporation and the authentication and delivery by the Trustee of any additional Bonds, other than upon the basis of the retirement of Bonds, or to the withdrawal upon the basis of property additions of any cash deposited with the Trustee as the basis for the authentication and delivery of additional Bonds, such successor corporation shall subject all of the properties and franchises then owned or thereafter acquired by it (except properties of the nature specifically excepted from the lien hereof) to the

lien of this Indenture; and in the case of the exercise of any other privilege with respect to property additions conferred upon the Company by this Indenture (including the taking of any credit on the basis of net bondable value of property additions not subject to an unfunded prior lien against any obligation to make any sinking fund, improvement fund, maintenance fund or analogous fund payment provided for in any supplemental indenture), such successor corporation shall subject to the lien of this Indenture all property additions which are made the basis for the exercise of such privilege or the taking of such credit, in each case with similar force, effect and standing as if the Company had itself acquired or constructed such property additions and had not been consolidated with or merged into such successor corporation or had not sold the property of the Company as an entirety to such successor corporation. All Bonds so authenticated and delivered shall in all respects have the same rank and security as the Bonds theretofore or thereafter authenticated and delivered in accordance with the terms of this Indenture.

The Trustee may, subject to the provisions of Sections 1 and 2 of Article XIII, receive an opinion of counsel as conclusive evidence that any supplemental indenture complies with the foregoing conditions and provisions of this Section.

SECTION 3. No consolidation or merger of the Company into another corporation and no conveyance of all or substantially all of the assets of the Company to another corporation shall or is intended to subject to the lien of this Indenture any or all of the property or franchises of the successor corporation formed upon such consolidation or merger or to which such sale shall have been made, other than as hereinafter in this Section 3 provided, unless the successor corporation, in its discretion, shall subject the same to the lien hereof or unless the successor corporation shall exercise the privilege of obtaining the authentication and delivery of additional Bonds pursuant to Section 4 or 5 of Article III or the withdrawal, pursuant to Section 3(a) of Article VIII, of moneys deposited with the Trustee pursuant to Section 5(a) of Article III or unless the successor corporation shall subject some or all of the same to the lien hereof for the purpose of exercising any other privilege with respect to property

additions conferred upon the Company by this Indenture (including the taking of any credit on the basis of net bondable value of property additions not subject to an unfunded prior lien against any obligation to make any sinking fund, improvement fund, maintenance fund or analogous fund payment provided for in any supplemental indenture); but the foregoing provisions of this Section 3 notwithstanding, this Indenture shall, after such consolidation, merger or sale, constitute a lien, of the rank herein provided, upon all properties and franchises acquired by such successor corporation from the Company, which were subject to the lien hereof immediately prior to such consolidation, merger or sale and upon all additions, extensions, improvements, repairs and replacements to or about the plants or properties included in the trust estate immediately prior to such merger, consolidation or sale, appurtenant to the trust estate as so constituted (as distinguished from the additions, extensions, improvements, repairs and replacements to or about the plants or properties appurtenant to the plants or properties of a successor corporation and additional plants or properties thereafter acquired by such successor corporation upon which the Indenture need not constitute a lien).

Nothing contained in this Article XII shall affect or lessen the extent of the lien of this Indenture upon the property of the Company hereafter acquired, by reason of the acquisition by the Company of all or substantially all of the property of another corporation.

Section 12. Article XIII of the Original Indenture is hereby amended so that said Article XIII, as amended, shall read as follows:

ARTICLE XIII.

THE TRUSTEE.

SECTION 1. The Trustee accepts the trusts created by this Indenture upon the terms and conditions hereof, including the following, to all of which the parties hereto and the holders from time to time of the Bonds agree:

(a) The Trustee shall be entitled to reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust), and such compensation, as well as the reasonable compensation of its counsel, and all other reasonable expenses incurred by the Trustee hereunder, and all taxes which may have been assessed against the Trustee as such or against any funds on deposit with or held by it hereunder which the Trustee may be required or permitted by law to deduct from such funds and to pay, the Company agrees to pay promptly on demand from time to time as such services shall be rendered and as such expenses or liabilities for such taxes shall be incurred. In default of such payment by the Company, the Trustee shall have a lien therefor on the property subject to the lien of this Indenture and the proceeds thereof prior to the lien of the Bonds and coupons and a lien therefor on any moneys held by the Trustee hereunder prior to any rights in such moneys of the holders of the Bonds and of the coupons. The Company also agrees to indemnify the Trustee for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on the part of the Trustee, arising out of or in connection with the acceptance or administration of this trust, as well as the costs and expenses of defending against any claim of liability in the premises.

(b) The Trustee may execute any of the trusts or powers hereof and perform any duty hereunder either directly or by or through its agents or attorneys.

(c) The Trustee shall not be responsible in any manner whatsoever for the correctness of the recitals herein or in the Bonds (except its certificate of authentication thereon) or in the coupons contained, all of which are made by the Company solely; and the Trustee shall not be responsible or accountable in any manner whatsoever for or with respect to the validity or execution or sufficiency of this Indenture, or of any indenture supplemental hereto, or of the Bonds or coupons, or for

the value of the property subject to the lien of this Indenture or any part thereof, or for the title of the Company thereto, or for the security afforded thereby and hereby, or for the validity of any securities at any time held hereunder, and the Trustee makes no representation with respect thereto. The Trustee shall be under no duty to see to any recording, registry or filing of this Indenture or of any indenture supplemental hereto or any instrument of further assurance. The Trustee shall not be accountable for the use or application by the Company of any Bonds authenticated and delivered hereunder or of the proceeds of such Bonds, or for the use or application of any moneys paid over by it in accordance with any provision of this Indenture.

(d) Subject to the provisions of Section 2 of this Article XIII, the Trustee shall be under no obligation to exercise any of the trusts or powers hereof at the request, order or direction of any of the Bondholders, pursuant to the provisions of this Indenture, unless such Bondholders shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities (incurred in good faith and without negligence) to be incurred therein or thereby.

(e) The Trustee may consult with counsel, and, subject to the provisions of Section 2 of this Article XIII, the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel.

(f) The Trustee, subject to the provisions of Section 2 of this Article XIII, may rely upon the certificate of the Secretary or one of the Assistant Secretaries of the Company, under its corporate seal, as to the adoption of any resolution by its Board of Directors or stockholders.

(g) Any action taken by the Trustee pursuant to any provision hereof at the request or with the consent of any person who at the time is the holder of any Bond shall be conclusive

and binding in respect of such Bond upon all future holders thereof, whether or not such Bond shall have noted thereon the fact that such request or consent had been made or given.

(h) The Trustee shall not be personally liable in case of entry by it upon the mortgaged and pledged property for debts contracted or liabilities or damages incurred in the management or operation of said property.

(i) The Trustee, subject to the provisions of Section 2 of this Article XIII, may rely and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, Bond, coupon or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(j) All moneys received by the Trustee under or pursuant to any provision of this Indenture (including any moneys received by it as paying agent) shall constitute trust funds for the purposes for which they were paid or are held, but need not be segregated in any manner from any other moneys except to the extent required by law. Any such moneys received by the Trustee may be deposited by the Trustee, under such conditions as may be prescribed by law, in its general banking department, if the Trustee shall then maintain a general banking department, or may be deposited by the Trustee with any Federal Reserve Bank or any bank or trust company having its principal office in Milwaukee, Wisconsin, or in the Borough of Manhattan, The City of New York, having a combined capital and surplus or undivided profits of not less than \$5,000,000, as shown on the last report of condition issued by such bank or trust company, provided that, except in the case of a deposit with a Federal Reserve Bank, such deposit be made in a special account, separate and distinct from any general or special accounts of the Trustee in which any of the Trustee's own funds are deposited, but in which account the Trustee need not segregate such deposits from other deposits of funds received by it for the payment of bonds and coupons of other issues or deposits received by it

pursuant to the terms of indentures or agreements with other persons, firms or corporations; and provided that, except in the case of a deposit with a Federal Reserve Bank, at the time of such deposit, notice be given by the Trustee to such bank or trust company that the funds so deposited constitute trust funds, and such bank or trust company expressly waives any right it might otherwise have of set-off or counterclaim against such funds. So long as the Company is not in default hereunder, the Trustee will allow and credit to the Company such interest, if any, as it may receive upon any such moneys so deposited with any bank or trust company, or, if such moneys are deposited in the general banking department of the Trustee, upon such moneys at such rate as may then be customary for similar deposits.

(k) Subject to the provisions of Section 2 of this Article XIII, the Trustee may, whenever it shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, deem such matter to be conclusively proved and established by an officers' certificate delivered to it (unless other evidence in respect thereof is herein specifically prescribed), and such certificate shall be full warrant to the Trustee for any action taken or suffered by it under the provisions of this Indenture upon the faith thereof.

Notwithstanding any provisions of this Indenture authorizing the Trustee to rely upon any resolutions, certificates, statements, opinions, reports, orders or other instruments, the Trustee may but, subject to the provisions of Section 2 of this Article XIII, need not, require any further evidence or make any further investigation as to the facts or matters stated therein which it may, in good faith, deem reasonable in the circumstances; and the Trustee shall, if requested in writing so to do by the holders of not less than a majority in principal amount of the Bonds then outstanding hereunder, require such further evidence or make such further investigation, provided, however, that, if the payment within a reasonable time to the Trustee of the cost, expenses and liabilities likely to be incurred by it in making such investigation

is not reasonably assured to the Trustee by the security afforded to it by the terms of this Indenture, the Trustee may require reasonable indemnity against such expense or liability as a condition to so proceeding.

If the Trustee shall determine or shall be requested, as aforesaid, to make such further investigation, it shall be entitled to examine the books, records and premises of the Company; and unless satisfied, with or without such investigation, of the truth and accuracy of the matters stated in such resolutions, certificates, statements, opinions, reports, orders or other instruments, it shall be under no obligation to grant any application or take or permit any action requested by the Company hereunder. The reasonable expense of every such examination shall be paid by the Company, or, if paid by the Trustee, shall be repaid by the Company, upon demand, with interest at the rate of six per cent. (6%) per annum, and until such repayment shall be secured by a lien on the property subject to the lien of this Indenture and the proceeds thereof prior to the lien of the Bonds and coupons.

SECTION 2. None of the provisions of this Indenture shall be construed as relieving the Trustee from liability for its own negligent action, its own negligent failure to act, or its own wilful misconduct, except that, anything in this Indenture contained to the contrary notwithstanding:

(1) unless and until an event of default specified in Section 1 of Article IX hereof shall have happened which at the time is subsisting,

(a) the Trustee shall not be liable except for the performance of such duties as are specifically set out in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee, whose duties and obligations shall be determined solely by the express provisions of this Indenture; and

(b) the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, in the absence of bad faith on the part of

the Trustee, upon certificates or opinions conforming to the requirements of this Indenture; but in the case of any such certificates or opinions, which, by the provisions of this Indenture, are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture;

(2) the Trustee shall not be liable to any holder of Bonds or coupons or to any other person for any error of judgment made in good faith by a responsible officer or officers of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee shall not be liable to any holder of Bonds or coupons or to any other person with respect to any action taken or omitted to be taken by it in good faith, in accordance with the direction of a majority of the Bondholders, relating to the time, method and place of conducting any proceeding for any remedy available to it or exercising any trust or power conferred upon it by this Indenture.

If an event of default specified in Section 1 of Article IX hereof shall have happened, then, so long as the same shall be subsisting, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

SECTION 3. The Trustee shall give to the Bondholders, in the manner and to the extent provided in Subdivision (c) of Section 10 of this Article XIII, notice of the happening of all defaults known to it within ninety days after the occurrence thereof, but in the case of any default of the character specified in Subdivision (c) of Section 1 of Article IX, no such notice shall be given until at least sixty days after the occurrence thereof; *provided*, that, except in the case of a default resulting from the failure to make any payment of principal of or interest on the Bonds, or in the

payment of any sinking, improvement, maintenance or analogous fund payment, the Trustee shall be protected in withholding such notice if and so long as the Board of Directors, the executive committee or a trust committee of directors and/or responsible officers, of the Trustee in good faith determine that the withholding of such notice is in the interests of the Bondholders. For the purposes of this Section 3, the term "default" shall mean any event of default specified in Section 1 of Article IX, not including any periods of grace provided for therein.

Nothing herein contained shall require the Trustee to give any notice of any default which has been cured.

SECTION 4. If the Trustee has or shall acquire any conflicting interest as defined in this Section 4, it shall, within ninety days after ascertaining that it has such conflicting interest, either eliminate such conflicting interest or resign, such resignation to become effective upon the appointment of a successor Trustee and such successor's acceptance of such appointment, and the Company shall take prompt steps to have a successor appointed in the manner provided in Section 6 of this Article. For the purposes of this Section 4 the Trustee shall be deemed to have a conflicting interest if

(1) the Trustee is trustee under another indenture under which any other securities, or certificates of interest or participation in other securities, of the Company are outstanding, unless such other indenture is a collateral trust indenture under which the only collateral consists of Bonds issued and outstanding under this Indenture, provided, however, that there shall be excluded from the operation of this Subdivision (1) of Section 4 any indenture or indentures under which other securities or certificates of interest or participation in other securities of the Company are outstanding, if the issuer shall have sustained the burden of proving, on application to the Securities and Exchange Commission and after opportunity for hearing thereon, that trusteeship under this Indenture and under such other indenture is not so likely to involve a material conflict of interest as to make it necessary in the

public interest or for the protection of investors to disqualify the Trustee from acting as such under one of such indentures;

(2) the Trustee or any of its directors or executive officers becomes an obligor upon the Bonds issued under this Indenture or an underwriter for the Company;

(3) the Trustee directly or indirectly controls or is directly or indirectly controlled by or is under direct or indirect common control with the Company or an underwriter for the Company;

(4) the Trustee or any of its directors or executive officers is a director, officer, partner, employee, appointee, or representative of the Company or of an underwriter (other than such Trustee itself) for the Company who is currently engaged in the business of underwriting, except that (A) one individual may be a director and/or an executive officer of the Trustee and also a director and/or an executive officer of the Company, but may not be at the same time an executive officer of both the Trustee and of the Company, and (B), if and so long as the number of directors of the Trustee in office is more than nine, one additional individual may be a director and/or an executive officer of the Trustee and a director of the Company, and (C) the Trustee may be designated by the Company or by any underwriter for the Company, to act in the capacity of transfer agent, registrar, custodian, paying agent, fiscal agent, escrow agent, or depositary, or in any other similar capacity, or, subject to the provisions of Subdivision (1) of this Section 4, to act as trustee, whether under an indenture or otherwise;

(5) ten per cent. (10%) or more of the voting securities of the Trustee is beneficially owned either by the Company or by any director, partner or executive officer of the Company or twenty per cent. (20%) or more of such voting securities is beneficially owned, collectively, by any two or more of such persons; or ten per cent. (10%) or more of the voting securities of the Trustee is beneficially owned either by an under-

writer for the Company or by any director, partner or executive officer of any such underwriter, or is beneficially owned, collectively, by any two or more of such persons;

(6) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default as hereinafter in this Section 4 defined, (A) five per cent. (5%) or more of the voting securities, or ten per cent. (10%) or more of any other class of security, of the Company, not including Bonds issued under this Indenture and securities issued under any other indenture of the Company under which the Trustee is also trustee, or (B) ten per cent. (10%) or more of any class of security of any underwriter for the Company;

(7) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default as hereinafter in this Section 4 defined, five per cent. (5%) or more of the voting securities of any person who, to the knowledge of the Trustee, owns ten per cent. (10%) or more of the voting securities of, or controls directly or indirectly or is under direct or indirect common control with, the Company;

(8) the Trustee is the beneficial owner of, or holds as collateral security for an obligation which is in default as hereinafter in this Section 4 defined, ten per cent. (10%) or more of any class of security of any person who, to the knowledge of the Trustee, owns fifty per cent. (50%) or more of the voting securities of the Company; or

(9) the Trustee owns, on May 15 in any calendar year, in the capacity of executor, administrator, testamentary or *inter vivos* trustee, guardian, committee or conservator, or in any other similar capacity, an aggregate of twenty-five per cent. (25%) or more of the voting securities, or of any class of security, of any person, the beneficial ownership of a specified percentage of which would have constituted a conflicting interest under Subdivision (6), (7) or (8) of this Section 4. As to any of such securities of which the Trustee acquired ownership through becoming executor, administrator or

testamentary trustee of an estate which included them, the provisions of the preceding sentence shall not apply, for a period of two years from the date of such acquisition, to the extent that such securities included in such estate do not exceed twenty-five per cent. (25%) of such voting securities or twenty-five per cent. (25%) of any such class of security. Promptly after May 15 in each calendar year, the Trustee shall make a check of its holdings of such securities in any of the above-mentioned capacities as of such May 15. If the Company fails to make payment in full of principal or interest under this Indenture when and as the same becomes due and payable, and such failure continues for thirty days thereafter, the Trustee shall make a prompt check of its holdings of such securities in any of the above-mentioned capacities as of the date of the expiration of such thirty-day period, and after such date, notwithstanding the foregoing provisions of this Subdivision (9), all such securities so held by the Trustee, with sole or joint control over such securities vested in it, shall, but only so long as such failure shall continue, be considered as though beneficially owned by the Trustee, for the purposes of Subdivisions (6), (7) and (8) of this Section 4.

The specifications of percentages in Subdivisions (5) to (9), inclusive, of this Section 4 shall not be construed as indicating that the ownership of such percentages of the securities of a person is or is not necessary or sufficient to constitute direct or indirect control for the purposes of Subdivision (3) or (7) of this Section 4.

For the purposes of Subdivisions (6), (7), (8) and (9) of this Section 4, (A) the terms "security" and "securities" shall include only such securities as are generally known as corporate securities, but shall not include any note or other evidence of indebtedness issued to evidence an obligation to repay moneys lent to a person by one or more banks, trust companies, or banking firms, or any certificate of interest or participation in any such note or evidence of indebtedness; (B) an obligation shall be deemed to be in default when a default in payment of principal

shall have continued for thirty days or more, and shall not have been cured; and (C) the Trustee shall not be deemed the owner or holder of (i) any security which it holds as collateral security (as trustee or otherwise) for an obligation which is not in default as defined in clause (B) above, or (ii) any security which it holds as collateral security under this Indenture, irrespective of any default hereunder, or (iii) any security which it holds as agent for collection, or as a custodian, escrow agent or depositary, or in any similar representative capacity.

For the purposes of this Section 4, the term "underwriter", when used with reference to the Company, means every person who, within three years prior to the time as of which the determination is made, was an underwriter, as defined in Section 303 of the Trust Indenture Act of 1939, of any security of the Company outstanding at the time of such determination.

For the purposes of this Section 4, the term "person" shall have the meaning assigned to such term in Section 2 of the Securities Act of 1933 as in effect at the date hereof.

For the purposes of this Section 4, the percentages of voting securities and other securities referred to in Subdivisions (5) to (9), inclusive, shall be calculated in accordance with the following provisions:

(a) A specified percentage of the voting securities of a person means such amount of the outstanding voting securities of such person as entitles the holder or holders thereof to cast such specified percentage of the aggregate votes which the holders of all the outstanding voting securities of such person are entitled to cast in the direction or management of the affairs of such person.

(b) A specified percentage of a class of securities of a person means such percentage of the aggregate amount of securities of the class outstanding.

(c) The term "amount", when used in regard to securities, means the principal amount if relating to evidences of indebtedness, the number of shares if relating to capital shares, and the number of units if relating to any other kind of security.

(d) The term "outstanding" means issued and not held by or for the account of the issuer. The following securities shall not be deemed outstanding within the meaning of this definition:

(1) Securities of an issuer held in a sinking fund relating to securities of the issuer of the same class;

(2) Securities of an issuer held in a sinking fund relating to another class of securities of the issuer, if the obligation evidenced by such other class of securities is not in default as to principal or interest or otherwise;

(3) Securities pledged by the issuer thereof as security for an obligation of the issuer not in default as to principal or interest or otherwise;

(4) Securities held in escrow if placed in escrow by the issuer thereof:

Provided, however, that any voting securities of an issuer shall be deemed outstanding if any person other than the issuer is entitled to exercise the voting rights thereof.

(e) A security shall be deemed to be of the same class as another security if both securities confer upon the holder or holders thereof substantially the same rights and privileges: *Provided, however,* that, in the case of secured evidences of indebtedness, all of which are issued under a single indenture, differences in the interest rates or maturity dates of various series thereof shall not be deemed sufficient to constitute such series different classes: *And provided, further,* that, in the case of unsecured evidences of indebtedness, differences in the interest rates or maturity dates thereof shall not be deemed sufficient to constitute them securities of different classes, whether or not they are issued under a single indenture.

In the event that any person shall at any time become an obligor upon any of the Bonds, so long as such person shall continue to be such obligor the provisions of this Section 4, in addi-

tion to being applicable to the Trustee and the Company, shall be applicable to the Trustee and such obligor with the same effect as if the name of such obligor were substituted for that of the Company in this Section 4.

SECTION 5. Every Trustee, other than a co-trustee appointed pursuant to the provisions of Section 14 of this Article, shall at all times be an incorporated bank or trust company in good standing organized and doing business under the laws of the United States or of any State and having its principal office in the City of Milwaukee, Wisconsin or in the Borough of Manhattan, The City of New York, and having a combined capital and surplus of not less than \$2,000,000, which is authorized under the laws of the jurisdiction of incorporation to exercise corporate trust powers and is subject to supervision or examination by Federal or State authority. If the Trustee shall at any time cease to have the foregoing qualifications, the Trustee shall resign within thirty days thereafter, such resignation to become effective upon the appointment of a successor Trustee and such successor's acceptance of such appointment. If the Trustee publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, the combined capital and surplus of the Trustee shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If the Trustee shall fail or refuse to resign within said period, or if it has or shall acquire any conflicting interest of the character specified in Section 4 of this Article and shall fail or refuse either to eliminate such conflicting interest or to resign within the period in said Section 4 provided in respect of such resignation, then (i) the Trustee shall, within ten days after the expiration of said period, transmit notice of such failure or refusal to the Bondholders in the manner and to the extent provided in Subdivision (c) of Section 10 of this Article; and (ii) any Bondholder, who has been the bona fide holder of a Bond for at least six months, may, subject to the provisions of the last paragraph of Section 12 of Article IX hereof, on behalf of himself and all others similarly situated, petition any court of competent juris-

diction for the removal of the Trustee, and the appointment of a successor, if the Trustee fails, after written request therefor by such Bondholder, to comply with the provisions of said Section 4.

SECTION 6. The Trustee may resign and be discharged from the trust hereby created by giving not less than four weeks' prior notice thereof to the Company specifying the date when such resignation shall take effect, and by giving notice thereof to the Bondholders, in the manner and to the extent provided in Subdivision (c) of Section 10 of this Article XIII, and by publishing such notice at least once a week (on any day of the week) for four successive calendar weeks (the first such publication to be not less than thirty days nor more than sixty days prior to the date so specified) in an authorized newspaper in the City of Milwaukee, Wisconsin and in an authorized newspaper in the Borough of Manhattan, The City of New York. Except as otherwise provided in Section 4 or 5 of this Article, such resignation shall take effect on the date specified in such notice unless previously a successor Trustee shall have been appointed as herein-after provided, in which event such resignation shall take effect upon the appointment of such successor Trustee. The Trustee may be removed at any time by an instrument or instruments in writing delivered to the Trustee and to the Company signed by a majority of the Bondholders or by their duly authorized attorneys-in-fact.

In case at any time the Trustee shall resign or be removed or shall otherwise become incapable of acting, a successor Trustee may be appointed by an instrument or instruments in writing delivered to such successor Trustee and to the Company, signed by a majority of the Bondholders or by their duly authorized attorneys-in-fact; but, until a new Trustee shall be appointed by the Bondholders or a court of competent jurisdiction as herein authorized, the Company, by an instrument executed by order of its Board of Directors, shall appoint a Trustee to fill the vacancy. Every such successor Trustee so appointed by the Bondholders, by a court of competent jurisdiction or by the Company shall be an incorporated bank or trust company in good standing organized and doing business under the laws of the United States or of any State and having its principal office in the City of Milwaukee,

Wisconsin or in the Borough of Manhattan, The City of New York, and having a combined capital and surplus of not less than \$2,000,000, which is authorized under the laws of the jurisdiction of incorporation to exercise corporate trust powers and is subject to supervision or examination by a Federal or State authority. If such successor Trustee publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, the combined capital and surplus of such successor Trustee shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

If in a proper case no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Article within six months after a vacancy shall have occurred in the office of trustee, the holder of any Bond or the retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Said court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

SECTION 7. Any successor Trustee appointed under any of the methods herein provided shall execute, acknowledge and deliver to its predecessor Trustee and to the Company an instrument in writing accepting such appointment hereunder and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with the estates, properties, rights, powers and trusts of its predecessor in the trust hereunder with like effect as if originally named as Trustee hereunder; but the predecessor Trustee shall, nevertheless, at the written request of the successor Trustee, execute and deliver an instrument transferring to the successor Trustee all the estates, properties, rights, powers and trusts of the predecessor Trustee hereunder and shall duly assign, transfer and deliver all property and moneys held by it to its successor. Should any instrument in writing from the Company be required by any successor Trustee for more fully and effectually vesting in and confirming to it all estates, properties, rights, powers and duties as Trustee hereunder, the Company, upon the request of such successor Trustee, shall make,

execute and deliver the same. The Company shall promptly give notice of the appointment of such successor Trustee to the Bondholders in the manner and to the extent provided in Subdivision (c) of Section 10 of this Article XIII and by publishing such notice at least once in an authorized newspaper in the City of Milwaukee, Wisconsin and in an authorized newspaper in the Borough of Manhattan, The City of New York.

SECTION 8. Any corporation into which the Trustee or any successor to it in the trust created by this Indenture may be merged, or with which it or any successor to it may be consolidated, or any corporation resulting from any merger or consolidation to which the Trustee or any successor to it shall be a party, shall, subject to the provisions of Section 5 of this Article, be the successor Trustee under this Indenture without the execution or filing of any instruments or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 9. (a) If the Trustee in its individual capacity shall be or shall become a creditor, directly or indirectly, secured or unsecured, of the Company (other than in a relationship of the nature specified in Subdivision (f) of this Section 9) within four months prior to a default, as defined in Subdivision (e) of this Section 9, or subsequent to such a default, then, unless and until such default shall be cured, the Trustee shall set apart and hold in a special account for the benefit of the Trustee individually and of the indenture security holders:

(1) an amount equal to any and all reductions in the amount due and owing to the Trustee upon any claim as such creditor in respect of principal or interest, effected after the beginning of such four months' period and valid as against the Company and its other creditors, except any such reduction resulting from the receipt or disposition of any property described in Paragraph (2) of this Subdivision (a), or from the exercise of any right of set-off which the Trustee could have exercised if a petition in bankruptcy had been filed by or against the Company upon the date of such default; and

(2) all property received by the Trustee in respect of any claim as such creditor, either as security therefor or in satisfaction or composition thereof or otherwise, after the beginning of such four months' period or an amount equal to the proceeds of any such property, if disposed of, subject, however, to the rights, if any, of the Company and its other creditors in such property or such proceeds.

(b) Nothing contained in this Section 9 shall affect the right of the Trustee:

(1) to retain for its own account (i) payments made on account of any such claim described in Subdivision (a) of this Section 9 by any person, other than the Company, who is liable thereon, and (ii) the proceeds of the bona fide sale of any such claim by the Trustee to a third person, and (iii) distributions made in cash, securities or other property in respect of claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable State law;

(2) to realize, for its own account, upon any property held by it as security for any such claim, if such property was so held prior to the beginning of such four months' period;

(3) to realize, for its own account, but only to the extent of the claim hereinafter mentioned, upon any property held by it as security for any such claim, if such claim was created after the beginning of such four months' period and such property was received as security therefor simultaneously with the creation thereof, and if the Trustee shall sustain the burden of proving that at the time such property was so received the Trustee had no reasonable cause to believe that a default, as defined in Subdivision (c) of this Section 9, would occur within four months; or

(4) to receive payment on any claim referred to in Paragraph (2) or (3) of this Subdivision (b) against the release of any property held as security for any such claim as provided

in such Paragraph (2) or (3), as the case may be, to the extent of the fair value of such property.

For the purposes of Paragraphs (2), (3) and (4) of this Subdivision (b), property substituted after the beginning of such four months' period for property held as security at the time of such substitution shall, to the extent of the fair value of the property released, have the same status as the property released, and, to the extent that any such claim referred to in Paragraphs (2), (3) and (4) of this Subdivision (b) is created in renewal of or in substitution for or for the purpose of repaying or refunding any preexisting claim of the Trustee as such creditor, such claim shall have the same status as such preexisting claim of the Trustee.

(c) If the Trustee shall be required to account, as in this Section 9 provided, the funds and property held in such special account and the proceeds thereof shall be apportioned between the Trustee and the indenture security holders in such manner that the Trustee and the indenture security holders realize, as a result of payments from such special account and payments of dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable State law, the same percentage of their respective claims, figured before crediting to the claim of the Trustee anything on account of the receipt by the Trustee from the Company of the funds and property in such special account and before crediting to the respective claims of the Trustee and the indenture security holders dividends on claims filed against the Company in bankruptcy or receivership or in proceedings for reorganization pursuant to the Bankruptcy Act or applicable State law, but after crediting thereon receipts on account of the indebtedness represented by their respective claims from all sources other than from such dividends and from the funds and property so held in such special account. As used in this Subdivision (c) with respect to any claim, the term "dividends" shall include any distribution with respect to such claim in bankruptcy or receivership or any proceedings for reorganiza-

tion pursuant to the Bankruptcy Act or applicable State law, whether such distribution is made in cash, securities, or other property, but shall not include any such distribution with respect to the secured portion, if any, of such claim. The court in which such bankruptcy, receivership, or proceeding for reorganization is pending shall have jurisdiction (i) to apportion between the Trustee and the indenture security holders in accordance with the provisions of this Subdivision (c), the funds and property held in such special account and the proceeds thereof, or (ii) in lieu of such apportionment, in whole or in part, to give to the provisions of this Subdivision (c) due consideration in determining the fairness of the distributions to be made to the Trustee and the indenture security holders with respect to their respective claims, in which event it shall not be necessary to liquidate or to appraise the value of any securities or other property held in such special account or as security for any such claim, or to make a specific allocation of such distributions as between the secured and unsecured portions of such claims, or otherwise to apply the provisions of this Subdivision (c) as a mathematical formula.

(d) In case the Trustee shall have resigned or been removed after the beginning of such four months' period, it shall nevertheless be subject to the provisions of this Section 9 as though such resignation or removal had not occurred. If the Trustee shall have resigned or been removed prior to the beginning of such four months' period, it shall nevertheless be subject to the provisions of this Section if and only if the receipt of property or reduction of claim which would have given rise to the obligation to account, if the Trustee had continued as the Trustee, occurred after the beginning of such four months' period and within four months after such resignation or removal.

(e) As used in this Section 9 the term "default" means any failure to make payment in full of principal or interest, when and as the same becomes due and payable, under any indenture which has been qualified under the Trust Indenture Act of 1939 or which contains provisions substantially similar to the provisions of this Section 9, and under which the Trustee is trustee

and the person of whom the Trustee is directly or indirectly a creditor, is an obligor; and the term "indenture security holders" means all holders of securities outstanding under any such indenture under which any such default exists.

In the event that any person shall at any time become an obligor upon any of the Bonds, so long as such person shall continue to be such obligor the provisions of this Section 9, in addition to being applicable to the Trustee and the Company, shall be applicable to the Trustee and such obligor with the same effect as if the name of such obligor were substituted for that of the Company in this Section 9.

(f) The Trustee shall not be required to account, as provided in this Section, if the creditor relationship arises from:

(1) the ownership or acquisition of securities issued under any indenture, or any security or securities having a maturity of one year or more at the time of acquisition by the Trustee;

(2) advances authorized by a receivership or bankruptcy court of competent jurisdiction, or by the terms and provisions of this Indenture for the purpose of preserving the property subject to the lien hereof or of discharging tax liens or other prior liens or encumbrances on the trust estate, if notice of such advance and of the circumstances surrounding the making thereof is given to the indenture security holders, at the time and in the manner provided in this Indenture;

(3) disbursements made in the ordinary course of business in the capacity of trustee under an indenture, transfer agent, registrar, custodian, paying agent, fiscal agent or depository, or other similar capacity;

(4) an indebtedness created as a result of services rendered or premises rented; or an indebtedness created as a result of goods or securities sold in a cash transaction, as defined in this Section 9;

(5) the ownership of stock or of other securities of a corporation organized under the provisions of Section 25(a) of the Act approved December 23, 1913, known as the Fed-

eral Reserve Act, as amended, which is directly or indirectly a creditor of the Company or any other obligor upon the Bonds issued under this Indenture; or

(6) the acquisition, ownership, acceptance or negotiation of any drafts, bills of exchange, acceptances or obligations, which fall within the classification of self-liquidating paper, as defined in this Section 9.

The word "security" or "securities" as used in this Subdivision (f) shall have the meaning assigned to the said term in the Securities Act of 1933.

The term "cash transaction", as used in this Subdivision (f) means any transaction in which full payment for goods or securities sold is made within seven days after delivery of the goods or securities in currency or in checks or other orders drawn upon banks or bankers and payable upon demand.

The term "self-liquidating paper", as used in this Subdivision (f), means any draft, bill of exchange, acceptance or obligation which is made, drawn, negotiated or incurred by the obligor for the purpose of financing the purchase, processing, manufacture, shipment, storage or sale of goods, wares or merchandise and which is secured by documents evidencing title to, possession of or a lien upon the goods, wares or merchandise or the receivables or proceeds arising from the sale of the goods, wares and merchandise previously constituting the security, provided the security is received by the trustee simultaneously with the creation of the creditor relationship with the obligor arising from the making, drawing, negotiating or incurring of the draft, bill of exchange, acceptance or obligation.

SECTION 10. (a) The Trustee shall, so long as any Bonds are outstanding hereunder, transmit to the Bondholders, as hereinafter provided, within sixty days after June 1 of each year beginning with the year 1947, a brief report dated as of such June 1 with respect to:

(1) the eligibility of the Trustee under Section 5, and its qualification under Section 4, of this Article XIII, or in lieu

thereof, if to the best of its knowledge it has continued to be eligible and qualified under such Sections, a written statement to such effect;

(2) the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by it as Trustee hereunder which remain unpaid on the date of such report, and for the reimbursement of which it claims or may claim a lien or charge, prior to that of the Bonds, on the trust estate or on property or funds held or collected by it as such Trustee, if such advances so remaining unpaid aggregate more than one-half of one per cent. ($\frac{1}{2}$ of 1%) of the principal amount of the Bonds outstanding on such date;

(3) the amount, interest rate and maturity date of all other indebtedness owing to it in its individual capacity, on the date of such report, by the Company or any other obligor upon the Bonds, with a brief description of any property held as collateral security therefor, except an indebtedness based upon a creditor relationship arising in any manner described in Paragraphs (2), (3), (4) or (6) of Subdivision (f) of Section 9 of this Article XIII hereof;

(4) the property and funds physically in its possession as Trustee in such capacity on the date of such report;

(5) any release, or release and substitution, of property subject to the lien of this Indenture (and the consideration therefor, if any) which it has not previously reported; provided, however, that to the extent that the aggregate value as shown by the release papers of any or all of such released properties does not exceed an amount equal to one per cent. (1%) of the principal amount of Bonds then outstanding, the report need only indicate the number of such releases, the total value of property released as shown by the release papers, the aggregate amount of cash received and the aggregate value of property received in substitution therefor as shown by the release papers;

(6) any additional issue of Bonds hereunder which it has not previously reported; and

(7) any action taken by the Trustee in the performance of its duties under this Indenture which it has not previously reported and which in the opinion of the Trustee materially affects the Bonds or the trust estate, except action in respect of a default, notice of which has been or is to be withheld by the Trustee in accordance with Section 3 of this Article XIII.

(b) The Trustee shall, so long as any Bonds shall be outstanding hereunder, also transmit to the Bondholders, as hereinafter provided, within the times hereinafter specified, a brief report with respect to:

(1) the release, or release and substitution, of property subject to the lien of this Indenture (and the consideration therefor, if any) unless the fair value of such property, as set forth in the engineer's certificate required in connection with any release or substitution hereunder, is less than ten per cent. (10%) of the principal amount of the Bonds outstanding at the time of such release, or such release and substitution, such report to be so transmitted within ninety days after such time; and

(2) the character and amount of any advances (and if the Trustee elects so to state, the circumstances surrounding the making thereof) made by the Trustee, as such, since the date of the last report transmitted pursuant to the provisions of Subdivision (a) of this Section 10 (or if no such report has been so transmitted, since June 1, 1946), for the reimbursement of which it claims or may claim a lien or charge prior to that of the Bonds, on the trust estate or on property or funds held or collected by the Trustee, as such, and which it had not previously reported pursuant to this paragraph, if such advances remaining unpaid at any time aggregate more than ten per cent. (10%) of the principal amount of Bonds outstanding at such time, such report to be so transmitted within ninety days after such time.

(c) All reports required by this Section 10, and all other reports or notices which are required by any other provision of this Indenture to be transmitted in accordance with the provisions of this Section, shall be transmitted by mail—

(1) to all registered owners of Bonds, as the names and addresses of such owners appear upon the registration books of the Company;

(2) to such holders of Bonds as have, within the two years preceding such transmission, filed their names and addresses with the Trustee for that purpose; and

(3) except in the case of reports pursuant to Subdivision (b) of this Section 10, to all holders of Bonds whose names and addresses have been furnished to or received by the Trustee pursuant to Subdivision (e) of Section 8 of Article IV and are then preserved by it pursuant to Subdivision (a) of Section 11 of this Article XIII.

The Trustee shall, at the time of the transmission to the Bondholders of any report or notice pursuant to this Section 10, file a copy thereof with each stock exchange, if any, upon which the Bonds are listed and with the Securities and Exchange Commission. Upon the listing of the Bonds or any series thereof upon any stock exchange the Company will so advise the Trustee.

SECTION 11. (a) The Trustee shall preserve, in as current a form as is reasonably practicable, all information as to the names and addresses of the holders of Bonds (1) contained in the most recent list furnished to it as provided in Subdivision (e) of Section 8 of Article IV, (2) received by it in the capacity of paying agent hereunder, and (3) filed with it within the two preceding years by holders of Bonds for the purpose of receiving reports pursuant to the provisions of paragraph (2) of Subdivision (c) of Section 10 of this Article XIII.

The Trustee may (1) destroy any list or lists furnished to it as provided in Subdivision (e) of Section 8 of Article IV upon receipt of a new list or lists so furnished, (2) destroy any infor-

mation received by it as paying agent upon delivering to itself as Trustee, not earlier than forty-five days after an interest payment date of the Bonds, a list containing the names and addresses of the holders of Bonds obtained from such information since the delivery of the next previous list, if any, (3) destroy any list delivered to itself as Trustee which was compiled from information received by it as paying agent upon the receipt of a new list so delivered, and (4) destroy any information filed with it by holders of Bonds for the purpose of receiving reports pursuant to the provisions of paragraph (2) of Subdivision (c) of Section 10 of this Article XIII, but not until two years after such information has been filed with it.

(b) Within five business days after receipt by the Trustee of a written application by any three or more Bondholders stating that the applicants desire to communicate with other Bondholders with respect to their rights under this Indenture or under the Bonds, and accompanied by a copy of the form of proxy or other communication which such applicants propose to transmit, and by reasonable proof that each such applicant has owned a Bond or Bonds for a period of at least six months preceding such application, the Trustee shall, at its election, either (1) afford to such applicants access to the information preserved at the time by the Trustee in accordance with the provisions of Subdivision (a) of this Section 11, or (2) inform such applicants as to the approximate number of Bondholders whose names and addresses appear in the information preserved at the time by the Trustee in accordance with the provisions of Subdivision (a) of this Section 11, and as to the approximate cost of mailing to the Bondholders the form of proxy or other communication, if any, specified in such application. If the Trustee shall elect not to afford to such applicants access to such information, the Trustee shall, upon the written request of such applicants, mail to all Bondholders whose names and addresses appear in the information preserved at the time by the Trustee in accordance with the provisions of Subdivision (a) of this Section 11, copies of the form of proxy or other communication which is specified in such request, with

reasonable promptness after a tender to the Trustee of the material to be mailed and the payment, or provision for the payment, of the reasonable expenses of such mailing, unless within five days after such tender, the Trustee shall mail to such applicants, and file with the Securities and Exchange Commission, together with a copy of the material to be mailed, a written statement to the effect that, in the opinion of the Trustee, such mailing would be contrary to the best interests of the Bondholders or would be in violation of applicable law. Such written statement shall specify the basis of such opinion. If said Commission, after opportunity for a hearing upon objections specified in the written statement so filed, shall enter an order refusing to sustain any of such objections, or if, after the entry of an order sustaining one or more of such objections, said Commission shall find, after notice and opportunity for a hearing, that all the objections so sustained have been met and shall enter an order so declaring, the Trustee shall mail copies of such material to all such Bondholders with reasonable promptness after the entry of such order and the renewal of such tender; otherwise, the Trustee shall be relieved of any obligation or duty to the applicant Bondholder respecting his application.

The Trustee shall not be liable or accountable to the Company or to any Bondholder by reason of the disclosure of any such information as to the names and addresses of the Bondholders in accordance with the provisions of this Section, regardless of the source from which such information was derived, nor by reason of the mailing of any material pursuant to a request made under this Section 11.

SECTION 12. Subject to the provisions of Sections 4, 9 and 10 of this Article XIII, the Trustee, and any co-trustee or additional trustee, may acquire and hold Bonds and coupons and otherwise deal with the Company in the same manner and to the same extent and with like effect as though it were not Trustee hereunder.

SECTION 13. The Trustee may comply in good faith with any rule, regulation or order of the Securities and Exchange Commis-

sion made pursuant to the terms and provisions of the Trust Indenture Act of 1939 or any Act amending or superseding the same, notwithstanding that such rule, regulation or order may thereafter be amended or rescinded or determined by judicial or other authority to be invalid for any reason.

SECTION 14. If at any time or times it shall be necessary or prudent in order to conform to any law of any State in which the Company shall at the time hold any property subject to the lien hereof, or the Trustee shall be advised by counsel, satisfactory to it, that it is so necessary or prudent in the interest of the Bondholders, or a majority of the Bondholders shall in writing so request the Trustee and the Company, the Trustee and the Company shall execute and deliver all instruments and agreements necessary or proper to constitute another bank or trust company or one or more persons approved by the Trustee and the Company, either to act as co-trustee or co-trustees of all or any of the property subject to the lien hereof, jointly with the Trustee originally named herein or any successor or successors, or to act as separate trustee or trustees of any such property (hereinafter sometimes referred to as "additional trustee or trustees"). In the event the Company shall not have joined in the execution of such instruments and agreements within ten days after the receipt of a written request from the Trustee so to do, or in case an event of default shall happen and be continuing, the Trustee may act under the foregoing provisions of this Section without the concurrence of the Company; and the Company hereby appoints the Trustee its agent and attorney to act for it under the foregoing provisions of this Section in either of such contingencies.

Every additional trustee hereunder shall, to the extent permitted by law, be appointed and act and be such and the Trustee and its successor as Trustee shall act and be such, subject to the following provisions and conditions, namely:

(a) the Bonds shall be authenticated and delivered and all powers, duties, obligations and rights conferred upon the Trustee in respect of the custody, control and management of moneys, papers or securities, shall be exercised solely by

said First Wisconsin Trust Company, or its successor as Trustee hereunder;

(b) all rights, powers, duties and obligations conferred or imposed upon the trustees or any of them shall be conferred or imposed upon and exercised or performed by First Wisconsin Trust Company, or its successor as Trustee, and such additional trustee or trustees jointly, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed, such First Wisconsin Trust Company, or its successor as Trustee, shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations shall be exercised and performed by such additional trustee or trustees;

(c) no power given hereby to, or which it is provided hereby may be exercised by, any such additional trustee or trustees, shall be exercised hereunder by such additional trustee or trustees, except jointly with, or with the consent in writing of, said First Wisconsin Trust Company, or its successor as Trustee, anything herein contained to the contrary notwithstanding;

(d) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder; and

(e) the Company and the Trustee, at any time, by an instrument in writing, executed by them jointly, may remove any such additional trustee, and in that case, by an instrument in writing executed by them jointly, may appoint a successor or successors to such additional trustee or trustees, as the case may be, anything herein contained to the contrary notwithstanding. In the event that the Company shall not have joined in the execution of any such instrument within ten days after the receipt of a written request from the Trustee so to do, the Trustee shall have the power to remove any such additional trustee and to appoint a successor additional trustee without the concurrence of the Company; the Company hereby appointing the Trustee its agent and attorney to

act for it in such connection in such contingency. In the event that the Trustee alone shall have appointed an additional trustee or trustees or co-trustee or co-trustees, as above provided, it may at any time, by an instrument in writing, remove any such additional trustee or co-trustee, the successor to any such trustee or co-trustee so removed to be appointed by the Company and the Trustee, or by the Trustee alone, as hereinbefore in this Section provided.

The provisions of Sections 1, 2, 4, 9 and 10 of this Article which have been made specifically applicable to the Trustee shall also apply to all additional trustees appointed pursuant to this Section 14.

Section 13. Article XIV of the Original Indenture is hereby amended by inserting therein, as Section 3 thereof, the following:

SECTION 3. Any supplemental indenture entered into pursuant to any authorization contained in this Indenture shall comply with the provisions of the Trust Indenture Act of 1939 as then in effect, unless no Bonds are then outstanding under the Indenture and all Bonds to be issued under the Indenture as supplemented by such supplemental indenture shall either be themselves exempt from the provisions of the Trust Indenture Act of 1939 as then in effect or are to be issued in a transaction exempt therefrom.

Section 14. Sections 2, 3, 4, 5, 6 and 7 of Article XV of the Original Indenture are hereby amended so that said Sections 2, 3, 4, 5, 6 and 7, as amended, shall read as follows:

SECTION 2. The Trustee may at any time call a meeting of the Bondholders, at its own instance or on the written request of the Company. In the event of the Trustee's failing for ten days to call a meeting after being thereunto requested as above set forth, the Company pursuant to resolution of the Board, may call such meeting. Such meeting may also be called at any time by not less than ten per cent. (10%) of the Bondholders or by the Company,

pursuant to resolution of the Board, without prior request to the Trustee. Every such meeting called at the instance of the Trustee shall be held at the principal office of the Trustee, but if called by or at the request of the Company or by the Bondholders it shall be held at such place in the Borough of Manhattan, The City of New York, or in the City of Milwaukee, Wisconsin, as the case may be, as may be specified in the notice calling such meeting or requesting such meeting to be called. If such meeting is called by the Trustee, written notice thereof, stating the place and time thereof and in general terms the business to be submitted, shall be mailed by the Trustee not less than thirty days before such meeting,

(a) to the Bondholders in the manner and to the extent provided in Subdivision (c) of Section 10 of Article XIII, and

(b) to the Company addressed to it at Milwaukee, Wisconsin,

and shall be published by the Trustee at least once in each of four successive calendar weeks, the first such publication to be not less than thirty days prior to the date fixed for such meeting, in an authorized newspaper of the Borough of Manhattan, The City of New York, and in an authorized Milwaukee, Wisconsin, newspaper, provided, however, that the mailing of any such notice shall in no case be a condition precedent to the validity of any action taken at such meeting. If such meeting is called by the Company, or by the Bondholders, in accordance with this Section 2, notice of such meeting shall be sufficient for all purposes hereof if given by newspaper publication as aforesaid stating the place and time of the meeting and in general terms the business to be submitted. Any meeting of Bondholders shall be valid without notice if the holders of all Bonds then outstanding are present in person or by proxy and if the Company and the Trustee are present by duly authorized representatives, or if notice is waived before or after the meeting by the Company, the holders of all Bonds outstanding and by the Trustee.

All holders of Bonds at the time of such meeting shall be entitled to vote thereat; except that

(aa) with respect to bearer Bonds which have been stamped or upon which has been made a notation recording the issue of a certificate for voting at such meeting issued in the manner provided in Section 3 of this Article XV (whether or not such Bonds are thereafter registered as to principal) only the holder of such certificate and his proxies shall be entitled to vote such Bonds at said meeting and any adjournment thereof;

(bb) the Trustee shall fix a day not exceeding ninety days preceding the date for which the meeting is called as a record date for the determination of holders of Bonds registered as to principal and holders of registered Bonds entitled to notice of and to vote at such meeting and any adjournment thereof, and only such registered owners who shall have been such registered owners on the date so fixed, and who are entitled to vote such registered Bonds at the meeting, shall be entitled to receive notice of such meeting, and, subject to the provisions of Subdivision (aa) of this Section 2, the Bonds registered as to principal on such record date and registered Bonds may be voted at such meeting and any adjournment thereof only by the holders, and their proxies, who shall have been registered owners of such Bonds on such record date, notwithstanding any transfer of any such Bonds on the books of the Company after such date. If any Bonds registered as to principal on such record date or any registered Bonds shall thereafter be transferred to bearer, a suitable notation may be made upon such Bonds at the time of their transfer from such registered owner's name to record the fact that the registered owner of such Bonds on said record date and his proxies shall be the only persons entitled to vote such Bonds at the meeting. If any Bonds in bearer form on such record date are thereafter registered as to principal and before any certificate as provided in Section 3 of this Article XV has been issued with respect to such Bonds, the first registered owner to whom such Bonds in

bearer form are transferred prior to the meeting shall be deemed to have been a registered owner of such Bonds on the record date for the purposes of this Article XV, except as to his right to receive notice of such meeting; and

(cc) no one shall be entitled to vote in respect of any Bond owned or held by, for the account of or for the benefit or interest of, the Company or any affiliate of the Company (whether held in the treasury of the Company or any such affiliate or pledged to secure any indebtedness).

SECTION 3. Attendance by Bondholders at any meeting may be in person or by proxy. In order that bearer Bonds may be voted at any such Bondholders' meeting without being produced thereat, the Trustee shall make and from time to time vary such regulations as it shall deem fit permitting holders of bearer Bonds to submit such Bonds to, or deposit their Bonds with, any banks, bankers or trust companies or their duly authorized agents, which shall issue to or upon the order of the holders of such Bonds certificates with respect thereto entitling the holders thereof to be present and vote at any such meeting and to appoint proxies to represent them and vote for them at any such meeting in the same way as if the persons so present and voting, either personally or by proxy, were the actual bearers of the Bonds, in respect of which such certificates shall have been issued, and any regulations so made shall be binding upon the Trustee, the Inspectors of Votes and all Bondholders. Unless the Bonds so received are to be kept on deposit pending the holding of such Bondholders' meeting and any adjournments thereof, said banks, bankers or trust companies, or their duly authorized agents, upon issuing any such certificates shall make a notation upon the Bonds with respect to which the certificates are to be issued recording the issue of such certificates, and shall forthwith return the Bonds bearing such notation to the persons entitled thereto. Thereafter the Bonds bearing such notation shall not be entitled to be voted at the meeting except by the holders, and their duly authorized proxies or agents, of the certificates issued with respect to such Bonds.

Each person seeking to attend or vote at any meeting of Bondholders must, if required by any authorized representative of the Trustee or of the Company, produce such proof of Bond or certificate ownership or personal identity as shall be satisfactory to the Inspectors of Votes. Every proxy shall be signed by the Bondholder or certificate holder himself or by his duly authorized attorney, and shall be witnessed; and its genuineness if questioned shall be established to the satisfaction of the Inspectors of Votes. All proxies and certificates presented at any meeting shall be delivered to the Inspectors of Votes and filed with the Trustee.

Officers and nominees of the Company and of the Trustee may attend at any such meeting and take part therein, but shall not be entitled to vote thereat except to the extent that they may be Bondholders or may hold proxies of Bondholders or may hold certificates entitling them to vote issued as in this Section 3 provided.

SECTION 4. Persons named by the Trustee if represented at the meeting shall act as temporary Chairman and Secretary, respectively, of the meeting, but if the Trustee shall not be represented or shall fail to nominate such persons or if any person so nominated shall not be present, then the Bondholders and holders of certificates, issued as in Section 3 of this Article XV provided, and proxies present shall by a majority vote, irrespective of the amount of their holdings, elect other persons from those present to fill such vacancy or vacancies. A permanent Chairman and a permanent Secretary of such meeting shall be elected from those present by the Bondholders and holders of such certificates and proxies present by a majority vote irrespective of the amount of their holdings. The Trustee, if represented at the meeting, shall appoint two Inspectors of Votes who shall count all votes cast at such meeting, except votes on the election of a Chairman and Secretary as aforesaid, and who shall make and file with the Secretary of the meeting their verified written report in duplicate of all such votes so cast at said meeting. If the Trustee shall not be represented at the meeting or shall fail to nominate such Inspectors of Votes or if either Inspector of Votes fails to attend the meeting, the vacancy shall be filled by appointment

by the permanent Chairman of the meeting. The Company shall deliver to the Inspectors of Votes, after their designation and prior to any vote of Bondholders which may be taken at such meeting upon any resolution providing for a modification or alteration of this Indenture or any indenture supplemental hereto or of the rights or obligations of the Company or of the holders of the Bonds and coupons, an officers' certificate stating the principal amount of Bonds owned or held by, for the account of or for the benefit or interest of, the Company or any affiliate of the Company (whether held in the treasury of the Company or any such affiliate or pledged to secure any indebtedness) and identifying such Bonds by serial number or otherwise.

SECTION 5. The holders (or persons entitled to vote the same) of not less than seventy-five per cent. (75%) of the Bonds entitled to be voted at any such meeting must be present at such meeting in person or by proxy in order to constitute a quorum for the transaction of business, less than a quorum, however, having power to adjourn. If such meeting is adjourned by less than a quorum for more than seven days, notice thereof shall forthwith be mailed by the Trustee, if such meeting shall have been called by the Trustee, to the persons specified in Subdivisions (a) and (b) of Section 2 of this Article XV, and shall be published at least once in each seven days' period of such adjournment in an authorized newspaper of the Borough of Manhattan, The City of New York, and in an authorized Milwaukee, Wisconsin, newspaper. The failure to mail such notice as aforesaid shall in no case affect the validity of any action taken at any meeting held pursuant to such adjournment. If such meeting shall have been called by the Bondholders or by the Company, notice of such adjournment shall be given by the Chairman and Secretary of the meeting in the newspapers and for the number of times above specified in this Section and shall be sufficient if so given.

SECTION 6. Any modifications or alterations of this Indenture, of any indenture supplemental hereto, and of the rights and obligations of the Company and of the holders of the Bonds and coupons in any particular may be made at a meeting of Bond-

holders duly convened and held in accordance with the provisions of this Article XV, but only by a resolution duly adopted by the affirmative vote, in person or by proxy, of the holders (or persons entitled to vote the same) of seventy-five per cent. (75%) or more of the Bonds entitled to be voted upon any such modification or alteration when such meeting is held, and approved by resolution of the Board of Directors as hereinafter specified; but no such modification or alteration shall be made which will permit the extension of the time or times of payment of the principal of or the interest or premium, if any, on any Bond, or a reduction in the rate of interest thereon, or otherwise affect the terms of payment of the principal of, or interest or premium, if any, on any Bond, which shall always be unconditional, or reduce the percentage required by this Section for the taking of any action under this Section, nor shall any action permitted under this Section and taken at any meeting of the Bondholders affect the rights under this Indenture or of any indenture supplemental thereto of the holders of one or more, but less than all, of the series of Bonds outstanding hereunder, unless such action shall also have received the affirmative vote, in person or by proxy, of the holders (or persons entitled to vote the same) of at least seventy-five per cent. (75%) of the Bonds of each of the series so affected entitled to be voted upon any such action when such meeting is held. For all purposes of this Article XV the Trustee shall be entitled, to the extent permitted by Section 2 of Article XIII, to rely upon an opinion of counsel with respect to the extent, if any, as to which any action taken at such meeting affects the rights under this Indenture or under any indenture supplemental hereto of any holders of Bonds then outstanding.

SECTION 7. A record in duplicate of the proceedings of each meeting of Bondholders shall be prepared by the Secretary of the meeting and shall have attached thereto the original reports of the Inspectors of Votes, and affidavits by one or more persons having knowledge of the facts setting forth a copy of the notice of the meeting and a copy of the notice of adjournment thereof, if required under Section 5 of this Article XV, and

showing that said notices were published as provided in Section 2 of this Article XV and, in a proper case, as provided in Section 5 of this Article XV. Such record shall be signed and verified by the affidavits of the permanent Chairman, the permanent Secretary of the meeting, and a duly authorized representative of the Trustee if such a representative was present at the meeting, and one duplicate thereof shall be delivered to the Company and the other to the Trustee for preservation by the Trustee. Any record so signed and verified shall be proof of the matters therein stated until the contrary is proved, and such meeting shall be deemed conclusively to have been duly convened and held, and any resolution or proceeding stated in such record to have been adopted or taken shall be deemed conclusively to have been duly adopted or taken by such meeting. A true copy of any resolution adopted by such meeting shall be mailed by the Trustee to the Bondholders in the manner and to the extent provided by Subdivision (c) of Section 10 of Article XIII (but failure to mail copies of such resolution as aforesaid shall not affect the validity thereof), and a copy or summary thereof shall be published by the Company at least once in an authorized newspaper of the Borough of Manhattan, The City of New York, and at least once in an authorized Milwaukee, Wisconsin, newspaper, such publication to be made not more than fifteen days after the adoption of such resolution. Proof of such publication and mailing by the affidavit or affidavits of some person or persons having knowledge of the facts shall be filed with the Trustee. No such Bondholders' resolution shall be binding unless approved by the Board of Directors as evidenced by a certified resolution filed with the Trustee, and any resolution of Bondholders so adopted and approved shall be deemed conclusively to be binding upon the Company, the Trustee and the holders of all Bonds and coupons, except as otherwise specifically provided in this Article XV; provided, that no such resolution of the Bondholders, or of the Board of Directors, shall in any manner be so construed as to change or modify any of the rights or obligations of the Trustee without its written assent thereto. Nothing in this Article XV contained shall be deemed or construed to authorize or permit, by reason of any call of a meeting of Bondholders or

of any right expressly or impliedly conferred hereunder to make such call, any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the Bondholders under any of the provisions of this Indenture or of the Bonds.

Section 15. Article XVI of the Original Indenture is hereby amended so that said Article XVI, as amended, shall read as follows:

ARTICLE XVI.

DEFEASANCE.

If the Company, its successors or assigns, shall pay or cause to be paid unto the holders of the Bonds and coupons the principal and interest to become due thereon and the premium thereon, if any, at the times and in the manner stipulated therein, then these presents and the estate and rights hereby granted shall (at the option of the Company evidenced by a certified resolution delivered to the Trustee) cease, determine and be void, and thereupon the Trustee shall, upon the request of the Company, cancel and discharge the lien of this Indenture, and execute and deliver to the Company such deeds as shall be requisite to satisfy the lien hereof, and reconvey to the Company the estate and title hereby conveyed, and assign and deliver to the Company any property at the time subject to the lien of this Indenture which may then be in its possession.

Bonds and coupons for the payment or redemption of which moneys shall have been deposited with the Trustee, whether at or prior to the maturity or the redemption date of such Bonds, shall be deemed to have been paid within the meaning of this Article; provided, however, that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or provision satisfactory to the Trustee shall have been made therefor.

The cancellation and discharge of this Indenture, however, shall be without prejudice to the right of the Trustee to be paid any compensation then due it hereunder, and to be protected and saved harmless by the Company from any and all losses, liabilities,

(incurred without negligence or bad faith) costs and expenses, including counsel fees, at any time incurred by the Trustee hereunder or connected with any Bond, and the Company hereby covenants to protect and save the Trustee harmless from any and all such losses, liabilities, costs and expenses.

Section 16. Sections 3 and 6 of Article XVII of the Original Indenture are hereby amended, so that said Sections 3 and 6, as amended, shall read as follows:

SECTION 3. In case any one or more of the provisions contained in this Indenture or in the Bonds or coupons should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby.

If any provision of this Indenture limits, qualifies or conflicts with another provision included in this Indenture which is required to be included in this Indenture by any of Sections 310 to 317, inclusive, of the Trust Indenture Act of 1939, such required provision shall control.

SECTION 6. Any notice to or demand upon the Trustee may be served or presented, and such demand may be made, at the principal office of the Trustee. Any notice to or demand upon the Company shall be deemed to have been sufficiently given or served by the Trustee, for all purposes, by being deposited, postage prepaid, in a postoffice letter box addressed to the Company at Milwaukee, Wisconsin, or to the Company at such other address as may be filed in writing by the Company with the Trustee.

Section 17. The Original Indenture is hereby supplemented by adding the following new Article XVIII, to be inserted after Article XVII of the Original Indenture:

ARTICLE XVIII.

ADDITIONAL PROVISIONS AS TO CERTIFICATES AND OPINIONS.

SECTION 1. In the case of conditions precedent provided for in this Indenture (including any covenants compliance with which constitutes a condition precedent) which relate to the authentica-

tion and delivery of Bonds under this Indenture, to the release or the release and substitution of property subject to the lien of this Indenture, to the satisfaction and discharge of this Indenture, or to any other action to be taken by the Trustee at the request or upon the application of the Company, the Company shall furnish to the Trustee, as evidence of compliance with such conditions precedent, in addition to or as a part of the certificates or opinions required in such cases by other applicable provisions of this Indenture, and to the extent not otherwise required by other provisions of this Indenture:

(a) An officers' certificate stating that such conditions precedent have been complied with;

(b) An opinion of counsel stating that in his opinion such conditions precedent have been complied with; and

(c) In the case of conditions precedent compliance with which is subject to verification by accountants, a certificate or opinion of an accountant, who, in the case of any such conditions precedent to the authentication and delivery of Bonds, and not otherwise, shall be an independent public accountant, if the aggregate principal amount of such Bonds and of other Bonds authenticated and delivered since the commencement of the then current calendar year (other than those with respect to which a certificate or opinion of an accountant is not required, or with respect to which an independent public accountant's certificate has previously been furnished) is ten per cent. (10%) or more of the aggregate amount of the Bonds at the time outstanding; but no certificate or opinion need be made by any person other than the Treasurer or an Assistant Treasurer or the Comptroller or an Assistant Comptroller of the Company or an accountant employed by or otherwise holding office in the Company as to:

(A) dates or periods not covered by annual reports required to be filed by the Company, in the case of conditions precedent which depend upon a state of facts as of a date or dates or for a period or periods different from that required to be covered by such annual reports, or

(B) the amount and value of property additions, including net bondable value of property additions not subject to an unfunded prior lien and net bondable value of property additions subject to an unfunded prior lien (other than certificates or opinions of engineers or appraisers as to the fair value to the Company of any property additions made the basis for the authentication and delivery of Bonds, the withdrawal of cash from the Trustee, or the release of any portion of the trust estate, which are required to be filed with the Trustee by the provisions of Article III, VII or VIII, or Section 3 of this Article XVIII), or

(C) the adequacy of depreciation, maintenance or repairs.

SECTION 2. Each certificate or opinion required by the provisions of this Indenture to be furnished with respect to compliance with a condition or covenant provided for in this Indenture shall include (a) a statement that the person making such certificate or opinion has read such covenant or condition and the definitions set forth in Article I of this Indenture of the terms contained in such covenant or condition, (b) a brief statement as to the nature and scope of the investigation upon which the statements or opinions contained in such certificate or opinion are based, (c) a statement that, in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with, and (d) a statement as to whether or not in the opinion of such person such condition or covenant will, on the delivery to the Trustee of the cash, instruments, resolutions, certificates, opinions and other documents annexed thereto or being filed concurrently therewith, have been complied with.

SECTION 3. In addition to or as a part of any certificate or opinion required by any other applicable provisions of this Indenture and to the extent not otherwise required by other provisions of this Indenture, the Company shall furnish to the Trustee:

(a) A certificate or opinion of an engineer, appraiser, or other expert as to the fair value of any property or securities to be released from the lien of this Indenture (except property taken by the power of eminent domain or the exercise of any right to purchase by any municipality or any other governmental subdivision, agency or authority as provided in Section 5 of Article VII), which certificate or opinion shall state that in the opinion of the person making the same the proposed release will not impair the security under this Indenture in contravention of the provisions hereof; such certificate or opinion shall be made by an independent engineer, appraiser, or other expert, if the fair value of such property or securities and of all other property or securities released since the commencement of the then current calendar year, as set forth in the certificates or opinions required by this Subdivision (a), is ten per cent. (10%) or more of the aggregate principal amount of Bonds at the time outstanding; but such a certificate or opinion of an independent engineer, appraiser, or other expert shall not be required in the case of any release of property or securities, if the fair value thereof as set forth in the certificate or opinion required by this Subdivision (a) is less than Twenty-five thousand Dollars (\$25,000) or less than one per cent. (1%) of the aggregate principal amount of Bonds at the time outstanding;

(b) A certificate or opinion of an engineer, appraiser, or other expert as to the fair value to the Company of any securities (other than Bonds and prior lien bonds secured by a lien upon the mortgaged property), the deposit of which with the Trustee is to be made the basis for the authentication and delivery of Bonds, the withdrawal of cash constituting a part of the trust estate or the release of property or securities subject to the lien of this Indenture; if the fair value to the Company of such securities and of all other such securities made the basis of any such authentication and delivery, withdrawal, or release since the commencement of the then current calendar year, as set forth in the certificates or opinions required by this Subdivision (b) is ten per cent. (10%) or more

of the aggregate principal amount of Bonds at the time outstanding, such certificate or opinion shall be made by an independent engineer, appraiser, or other expert and, in the case of the authentication and delivery of Bonds, shall cover the fair value to the Company of all other such securities so deposited since the commencement of the then current calendar year as to which a certificate or opinion of an independent engineer, appraiser, or other expert has not previously been furnished; but such a certificate of an independent engineer, appraiser, or other expert shall not be required with respect to any securities so deposited if the fair value thereof to the Company as set forth in the certificate or opinion required by this Subdivision (b) is less than Twenty-five thousand Dollars (\$25,000) or less than one per cent. (1%) of the aggregate principal amount of Bonds at the time outstanding; and

(c) A certificate or opinion of an engineer, appraiser or other expert as to the fair value to the Company of any property (other than securities) the subjection of which to the lien of this Indenture is to be made the basis for the authentication and delivery of Bonds, the withdrawal of cash constituting a part of the trust estate, or the release of property or securities subject to the lien of this Indenture; if

(A) Within six months prior to the date of acquisition of such property by the Company, such property has been used or operated, by a person or persons other than the Company, in a business similar to that in which it has been or is to be used or operated by the Company, and

(B) The fair value to the Company of such property as set forth in such certificate or opinion is not less than Twenty-five thousand Dollars (\$25,000) and not less than one per cent. (1%) of the aggregate principal amount of Bonds at the time outstanding,

such certificate or opinion shall be made by an independent engineer, appraiser, or other expert and, in the case of the authentication and delivery of Bonds, shall cover the fair

value to the Company of any property so used and operated which has been so subjected to the lien of this Indenture since the commencement of the then current calendar year, and as to which a certificate or opinion of an independent engineer, appraiser, or other expert has not previously been furnished.

Any such independent engineer, appraiser or other expert shall be appointed by the Board and approved by the Trustee in the exercise of reasonable care.

SECTION 4. The same officer or officers of the Company, or the same engineer or counsel or other person, as the case may be, may, but need not, certify to all the matters required to be certified under any Article, Section, Subdivision or other portion hereof, but different officers, engineers, counsel or other persons may certify to different facts, respectively. Where any person or persons are required to make, give or execute two or more orders, requests, certificates, opinions or other instruments under this Indenture, any such orders, requests, certificates, opinions or other instruments may, but need not, be consolidated and form one instrument. Any certificate which is required to be verified may be verified on information and belief.

Except as otherwise expressly provided in this Indenture, or in any indenture supplemental hereto, any request, opinion, consent, demand, notice, order, appointment, or other direction required or permitted to be made or given by the Company, shall be deemed to have been sufficiently made or given if executed on behalf of the Company by its President or any of its Vice Presidents and its Secretary or any of its Assistant Secretaries or its Treasurer or any of its Assistant Treasurers.

Any opinion of counsel required to be furnished pursuant to any of the provisions of this Indenture may, in lieu of stating that certain conditions precedent have been complied with, state that the required conditions will be fulfilled on the execution and delivery of designated instruments, which instruments shall be delivered in form approved by such counsel prior to or concur-

rently with the taking or suffering by the Trustee of the action as a condition precedent to which such opinion is required to be furnished under the terms of this Indenture.

Any certificate or opinion of an officer or officers of the Company or of an appraiser or engineer may be based in so far as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, and, in so far as it relates to compliance by the Company with the net earnings requirements of Section 3 of Article III of this Indenture, upon the books and records of the Company and upon a certificate or opinion of, or representations by, the Treasurer or Comptroller or an Assistant Treasurer or an Assistant Comptroller of the Company or other accountant or accountants, unless such officer or officers or expert knows that the books and records of the Company or the certificate or opinion or representations with respect to the matters upon which his certificate or opinion may be based as aforesaid are erroneous or, in the exercise of reasonable care, should have known that the same were erroneous. Any such certificate or opinion of counsel may be based, in so far as it relates to factual matters, information with respect to which is in the possession of the Company, upon a certificate or opinion of, or representations by, an officer or officers of the Company, and in so far as it relates to matters required under this Indenture to be covered by a certificate or opinion of, or representations by, an appraiser, engineer or accountant, upon the certificate or opinion of or representations by such persons so acting, unless such counsel knows that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion may be based as aforesaid are erroneous or, in the exercise of reasonable care, should have known that the same were erroneous.

Section 18. The provisions of this Part VII shall become effective immediately upon the issue of any of the Bonds of 1976 Series.

PART VIII.

THE TRUSTEE.

The Trustee hereby accepts the trusts hereby declared and provided, and agrees to perform the same upon the terms and conditions in the Original Indenture, as supplemented by this Supplemental Indenture, and in this Supplemental Indenture set forth, and upon the following terms and conditions:

The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or the due execution hereof by the Company or for or in respect of the recitals contained herein, all of which recitals are made by the Company solely.

PART IX.

MISCELLANEOUS PROVISIONS.

All terms contained in this Supplemental Indenture shall, for all purposes thereof, have the meanings given to such terms in Article I of the Original Indenture, as amended by Part VII of this Supplemental Indenture.

This Supplemental Indenture may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original; but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, said Wisconsin Electric Power Company has caused this Indenture to be executed on its behalf by its President or one of its Vice Presidents and its corporate seal to be hereto affixed and said seal and this Indenture to be attested by its Secretary or one of its Assistant Secretaries; and said First Wisconsin Trust Company, in evidence of its acceptance of the trust hereby created, has caused this Indenture to be executed on its behalf by its President or one of its Vice Presidents, and its corporate seal to be hereto affixed and said seal and this

Indenture to be attested by its Secretary or one of its Assistant Secretaries; all as of the first day of June, One thousand nine hundred and forty-six.

WISCONSIN ELECTRIC POWER COMPANY,

By /s/ G. W. VAN DERZEE

[CORPORATE SEAL]

President.

Attested:

/s/ H. P. CHAMBERLIN
Assistant Secretary.

Signed, sealed and delivered by
WISCONSIN ELECTRIC POWER
COMPANY in the presence of:

/s/ RUSSELL W. SCHMELZ

/s/ CLAYTON J. TRUDEAU
As Witnesses.

FIRST WISCONSIN TRUST COMPANY,

By /s/ P. P. NOLTE

[CORPORATE SEAL]

Vice President.

Attested:

/s/ JOHN M. NUZUM
Secretary.

Signed, sealed and delivered by
FIRST WISCONSIN TRUST COM-
PANY in the presence of:

/s/ DOROTHY VEBBER

/s/ KATHRYN DELANEY
As Witnesses.

FIRST WISCONSIN
TRUST COMPANY
CORPORATE SEAL

STATE OF WISCONSIN, }
COUNTY OF MILWAUKEE, } ss.:

On this 26th day of June, 1946, before me personally appeared G. W. Van Derzee and H. P. Chamberlin, to me personally known, who, being by me severally duly sworn, did say: that G. W. Van Derzee is President and H. P. Chamberlin is Assistant Secretary of WISCONSIN ELECTRIC POWER COMPANY, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said G. W. Van Derzee and H. P. Chamberlin severally acknowledged said instrument to be the free act and deed of said corporation.

/s/ ROBERT B. FISHER
Notary Public
Milwaukee County, Wisconsin

My Commission expires Nov. 21, 1948

SEAL
OF NOTARY PUBLIC

STATE OF WISCONSIN, }
COUNTY OF MILWAUKEE, } ss.:

On this 26th day of June, 1946, before me personally appeared P. P. Nolte and John M. Nuzum, to me personally known, who, being by me severally duly sworn, did say: that P. P. Nolte is a Vice President and John M. Nuzum is Secretary of FIRST WISCONSIN TRUST COMPANY, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said P. P. Nolte and John M. Nuzum severally acknowledged said instrument to be the free act and deed of said corporation.

/s/ L. M. RIEBS
Notary Public
Milwaukee County, Wisconsin

My Commission expires March 16, 1947

SEAL
OF NOTARY PUBLIC

This Second Supplemental Indenture dated June 1, 1946 was recorded in the office of the Register of Deeds of the Counties listed below, all in the State of Wisconsin, as follows:

County	Date Recorded	Time	Book	Page	Document No.
Milwaukee	June 26, 1946	2:05 P.M.	2344	483	2644790
Rock	June 26, 1946	3:19 P.M.	285	1	468748
Walworth	June 26, 1946	2:15 P.M.	231	531	388897
Calumet	June 26, 1946	2:40 P.M.	55	425	62483
Sheboygan	June 26, 1946	2:28 P.M.	261	1	476535
Dodge	June 26, 1946	3:25 P.M.	223	90	394558
Ozaukee	June 26, 1946	1:30 P.M.	94	198	132300
Kenosha	June 26, 1946	3:20 P.M.	252	261	287720
Racine	June 26, 1946	2:00 P.M.	422	361	509278
Jefferson	June 26, 1946	2:20 P.M.	207	187	407057
Waukesha	June 26, 1946	1:35 P.M.	277	1	289565

(U. S. Documentary Stamps in the amount of \$55,000 were affixed to the original Indenture and were duly cancelled on June 28, 1946.)